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# GUNTON'S MAGAZINE

GEORGE GUNTON, EDITOR

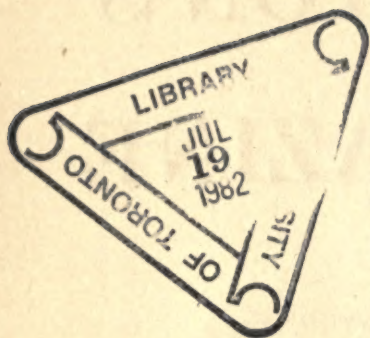
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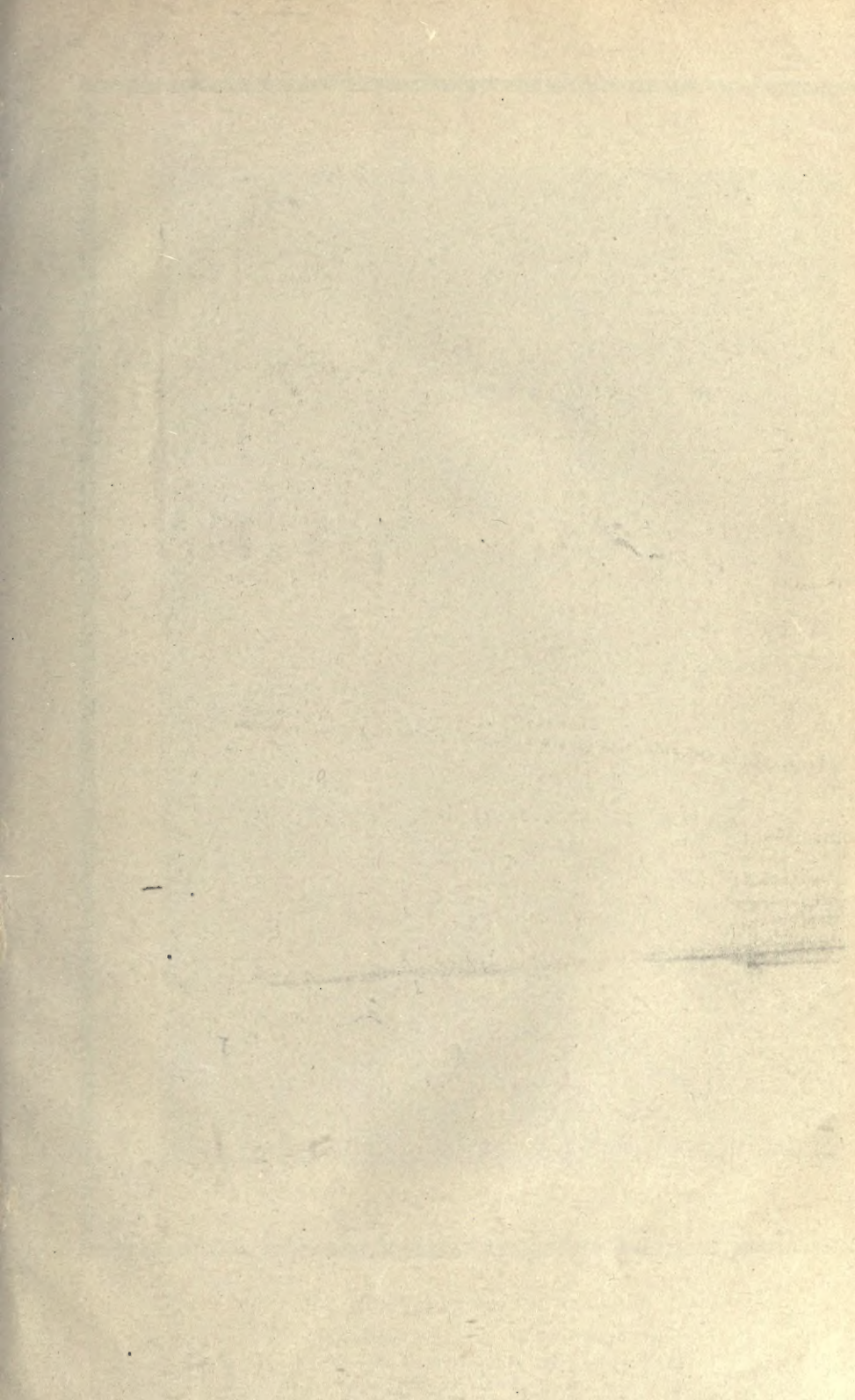
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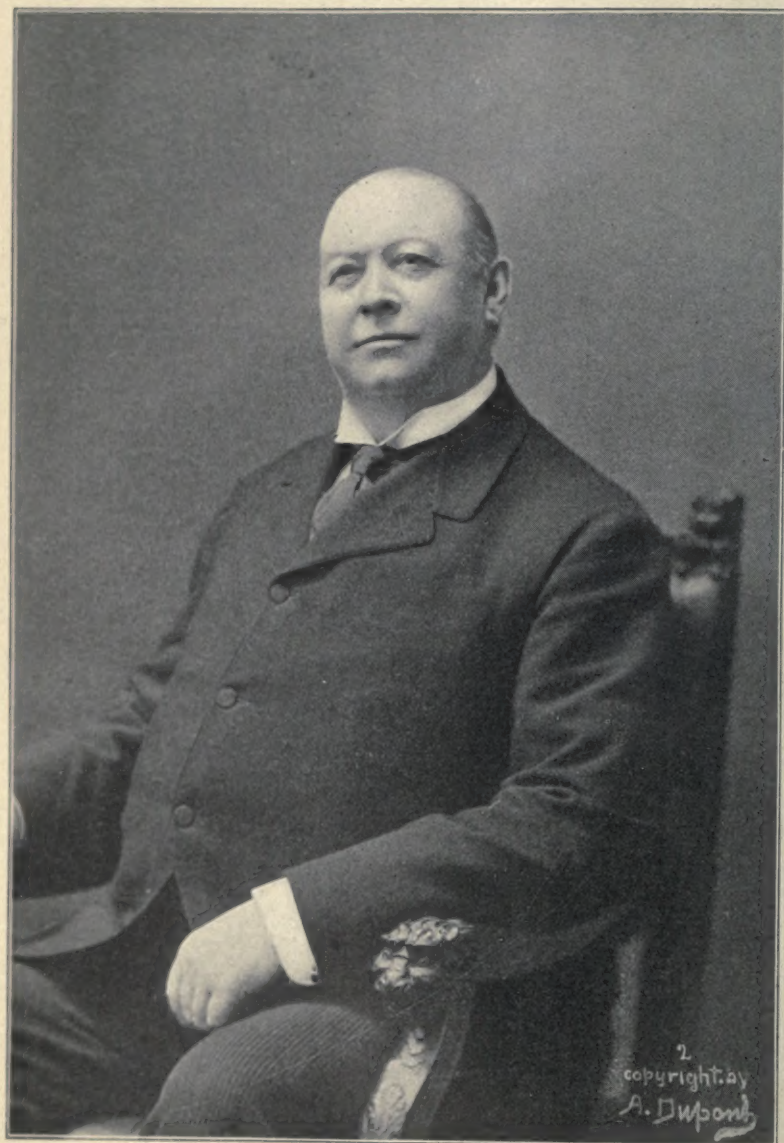
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THOMAS BRACKETT REED

*Died December 7th, 1902. Ex-Speaker of  
the House of Representatives. Chairman  
of the Board of Trustees, Institute of  
Social Economics*



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## GUNTON'S MAGAZINE

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### DEATH OF THOMAS BRACKETT REED

In the death of Thomas B. Reed the nation has lost a statesman and scholar whose place will be difficult to fill.

Mr. Reed was not a politician; he was truly a statesman of national proportions. He was a student of political history and philosophy, a man of deep convictions and practical views of public policy, and he always saw and acted from the point of view of national rather than individual welfare. He was one of the cleanest and purest men that ever entered public life in any nation. He was preeminently above reproach. His individual, moral and political integrity were above suspicion; the breath of scandal never touched him, even indirectly. Although always a party man, he was never a politician. He was a leader, but not a boss. He was too strong to be bullied, and too honest to be bought. He made no money while in congress, but he built up an unimpeachable character and a world-wide reputation. He reached the second highest office in the gift of the people—the speakership of the house of representatives. There are a few positions (filled by appointment) which command a higher salary, but none but the presidency commands so much influence, involves so much responsibility and requires such a high order of statesmanship.

It is conceded alike by political friends and enemies, by students and statesmen, at home and abroad, that Mr. Reed was the greatest Speaker that ever presided over the deliberations of any legislative assembly in this or any other country. He introduced honest procedure in congress, which forever abolished that fraudulent, undignified

and altogether discreditable practice of congressmen sitting in their seats and refusing to be counted as present, for the purpose of menacing the legitimate parliamentary procedure and execution of public business. This was a measure which needed the strong man who knew he was right and had the courage and character to enforce it. For the moment, the politicians, whose methods were petty filibuster, never affirmative assertion of principle, called him "dictator" and "czar," but his decision, radical as it seemed, has been fully sustained by subsequent experience. It has been adopted by his worst enemies, and is now accepted as authoritative for the highest legislative bodies in the civilized world.

This was only one illustration of Mr. Reed's straightforwardness and strength of character. He has been no less conspicuous for the soundness of his position on all great questions of national importance. Here he showed the qualities of the true statesman. Although an intense party man, he viewed public questions from the standpoint of the nation's welfare, and when his party departed from the true policy of national development he refused to be its leader and spokesman.

Mr. Reed was an intense American and preeminently democratic, but his democracy was not a chaotic *laissez faire*, but constructive national doctrine. From his point of view, the true way for a nation to make the greatest contribution to civilization and be most helpful to the human race was to make the most of its own opportunities and possibilities, so shape its public policy as to encourage and stimulate the best possibilities of character development in its own people. With him, democracy meant not mere antagonism to hereditary institutions but the development of the character and intelligence of the American people to the full fitness for truly democratic self-government.

Democracy is not a mere name, but it is the self-government of a people, and this involves a sufficiently high state of social and individual advancement to participate intelli-



gently in the political affairs of the nation. Whatever, therefore, was necessary to promote this, Mr. Reed favored as contributing to the advancement of real democracy. It was a part of Mr. Reed's political philosophy that no nation is intelligent enough, or good enough, or great enough, wisely to govern another people with different traditions, language and habits, and in an entirely different state of civilization. He believed that, with a people in a state of civilization too backward for democratic institutions, if a despotism is involved the despotism should be its own; if it must have an aristocracy, that should be the product of its own conditions, and not arbitrarily superimposed by an alien nation, ignorant of its language and conditions, and not familiar with the traditions and customs of the people.

In all this Mr. Reed was supremely right. History, political philosophy, sound economics, and the law of social evolution all sustain him. It is not surprising, therefore, that Mr. Reed differed from the annexation policy of his party. He was very naturally opposed to the annexation of the Philippines, because it was contrary to the doctrine of self-government and the natural growth of democratic institutions. In proportion as this un-American policy was pursued by the administration, Mr. Reed became more and more out of harmony with his party. His position on this question was eminently sound, and will be fully justified as experience makes its contribution to history. His convictions on this subject were too deep and his political principle too clear to permit him, for mere party emergency, to assist in urging the nation on in its course. His sense of honor would not permit him to hold so high and influential a position as speaker of the house of representatives without bringing to the office the full strength of his great powers, and he resigned the speakership and retired to private life. But he never became a private citizen; he was always an important figure; he was still looked to from all parts of the country as the great man of the nation, and it was hoped and believed that he might yet be called to the presidency.

On the great questions affecting national policy Mr. Reed has been conspicuously correct. He was so clear in his thinking and perceptions, so honest in his adherence to conviction, that he had little regard for the mere plausible abstractions of the so-called "cosmopolitan generalizer." He saw that the only way to improve the human race was to make a part of it actually better off, and that if we could not lift the level of our own nation we could do nothing to improve the condition of others. He saw that the only way in which we could really help other nations was by solving some of the problems of economic betterment through the development of superior methods and devices for making nature do more, and at less cost, for mankind. He also saw that the only place to solve such problems was in our country, and thus develop in ourselves the power to help the other peoples of the earth who are still in a backward industrial condition by furnishing them with improved methods of earning a living, which their own civilization would not and perhaps for ages could not evolve.

In other words, if we are to contribute anything worth while to the world's civilization, we must do it through developing the highest expert capacity for industrial progress, social advancement and political freedom at home. America is the only place where Americans can experiment in the methods of advancing civilization. Mr. Reed saw, as few men did, that the progress of democracy and all that we esteem as higher civilization demands that the opportunity for carrying on this experimentation and development in nation building should be safeguarded; that is, that protection of all the conditions and possibilities of industrial experimentation and growth should be a fundamental part of the statesmanship of the republic. With Mr. Reed, therefore, protection was not an emergency; it was a national doctrine; it was an inseparable part of high political philosophy, an essential part of progressive government, and a basic principle in true nation-building statesmanship.

It is not surprising, therefore, that his position on this



subject has always been clear and unsophisticated. His great speech delivered in congress on the 1st of February, 1894, in closing the debate on the Wilson bill, stands out as a monument of clear expression and statesmanlike grasp of the subject. It was the conspicuous feature of that great controversy, and it really marked off a period of new and more philosophic conception of the protective doctrine, raising it to the plane of a political principle rather than a policy of party expediency or local privilege. And now, when the subject is being again confused by catch phrases, and protection is sought to be undermined in the cause of reciprocity, all of which is so plausibly and insidiously presented as to befog many protectionists, and even mislead a protectionist administration into sacrificing American industries on a mixed plea of charity and reciprocity, Mr. Reed's voice up to the very time of his death remained clear and strong. He spoke with no hesitancy of manner or uncertainty of tone, but advocated, with a straightforwardness and strength that only a grasp of the principles and knowledge of the subject could give, the adherence to a simple protective policy. His last published word on the subject, in the *North American Review* for December, is characteristic of the man. The schemes for reciprocity and a tariff revision, devised by circuitous methods to obtain a fatal paring down of our protective system, were dealt with by one who knew their value. In part he said:

"When men talk carelessly of tariff revision, they talk of a tariff never yet established, and one that never can be. They dream of a tariff which exactly suits them individually, while a real tariff bill is one which measurably satisfies the country as a whole. But can we not have, sitting in perpetual session, a body of men non-partisan, judicious, wise and incorruptible? Yes, in your mind. You can have anything in your mind. Imagination is unlimited, and it is very delightful to wander round among possible impossibilities. Just think of a non-partisan free trader sitting on a tariff tax! Of course, he would be above any prejudice except his own. I saw one tariff commission sit in 1882, and its report was not enacted into law. All its mistakes were, and the result was satisfactory to nobody. . . .


"We ought to let the tariff alone; we ought to defend it against all

comers for the good of the nation. We are doing more than well and need not hunt for disaster. That will come in due time.

"Meanwhile, let us see what people are trying to do. Nobody dares to attack the tariff directly. Every effort against it is a flank attack. . . . The most plausible attack has come from the demand for reciprocity. In my judgment, it will be found that, when the glittering generalities of reciprocity are refined down to actual statement of what is proposed, the American people will never have it. The history of reciprocity the world over has been that any treaty thus far devised has been one-sided, and the country losing has put an end to it. We tried it with Canada. Our export trade increased thirteen per cent., and theirs increased in eleven years five hundred per cent. That treaty no longer exists. We had one with the Sandwich Islands, and on the average we gave them \$5,000,000 remitted sugar duties a year, and sold them \$4,000,000 worth of goods. In other words, we gave them all our exports and a million dollars besides. This is what the friends of free trade were trying to do for Cuba when we were so apprehensive that that island would be ruined if we did not give in charity what had no foundation in justice.

"Protection, I repeat, is a system, and is justifiable because it is of general application. The whole nation gets the benefit of it. If you examine reciprocity in detail you will find that, in nearly every case, the national revenue is sacrificed for the benefit of individuals. Hawaii alone cost us one hundred and one millions of unrequited dollars. Perhaps it may be a consolation to know that our own citizens, temporarily expatriated, were thereby greatly enriched. This example has led our citizens in Cuba to hope for like results, and they, too, are eager for remitted duties. But the scheme has been exposed, and republicans must be blind indeed if they surrender any jot or tittle of protection of the beet industry in order to bestow largess upon citizens who expatriate themselves, while they refuse it to farmers who till our own soil."

This states the case in a nutshell,—so characteristic of Mr. Reed. It shows that he saw the folly—nay, the danger—to the country of the fermenting agitation to badger corporations and disturb the tariff. He saw what should be obvious to everybody,—that the industrial growth and political strength of this country depend upon the stability of our tariff policy and the security of industrial expansion, against the predatory legislation of political crusaders.





## MONTHLY REVIEW OF FOREIGN AFFAIRS

W. C. JAMESON REID

*German Activity in South America.* For some little time the question has been "discreetly mooted" in certain European capitals as to whether the United States is well-advised in extending the Monroe doctrine to South America. Whether wise or unwise, it is pretty certain that Americans as a whole are not likely to tolerate for a moment the treatment of this matter as an open question. But the rapid development of German colonization in South America, with its concomitant economic and political advantages, raises new and portentous conditions fraught with grave concern for the future. There can be no doubt but that, at the present time, the principles laid down by this country regarding the non-intervention of foreign powers in the political affairs of the western hemisphere, are gallingly repugnant to the various European powers, both in theory and essence. This, in itself, possesses no menacing features, for the Monroe doctrine has never failed to arouse periodical storms of vituperation and protest from the continental press. But to the close student of international politics there is a new and deeper and more far-reaching significance in the extraordinary interest which has been shown by Germany of late in South American affairs. On the surface, the issue at stake is simple, and there is nothing at which we can cavil, or that outrages the principles of the Monroe doctrine, in the efforts of the German government forcibly to collect just debts from the Venezuelan republic.

But this German activity in the collection of a paltry debt has once more revived the rumors which have been circulated with recurring insistence regarding the possible future territorial aggression of Germany on the South American continent. Our past history has been so little interfered with by the injection of a Teutonic menace that doubtless to the majority of Americans the possibility of

Germany infusing herself into the situation as a serious political rival would come like the blast of a trombone in a deserted building. Yet there should not be such cause for surprise, for there have been straws innumerable showing how the wind blows, and it is idle to pooh-pooh as the vagaries of irresponsible alarmist rumor-mongers the prediction that Germany is liable to be our most dangerous political adversary in the future. This, the simplest investigation will serve to show. While admiring the great qualities of the German emperor and the German people, we should not forget that they are dedicated, and rightly dedicated, to the service of Germany. That both the German emperor and the German people find much that they can honestly admire in us is shown by the honest appreciation they have accorded to us from time to time. But when we pass from personal intercourse to national business we find a distinction which we cannot affect to ignore.

When and how far German interests on this hemisphere will conflict with those of the United States the future alone can tell, but to anyone at all conversant with German expansive policy during the last ten years the fact is patent that the influence of Germany in the future political and commercial disposition of the South American continent is to be of paramount importance. Germany has the national expansion fever as bad as any other nation. Her home development has been gratifying in the extreme, and she naturally is desirous of increasing the power and scope of her benevolent paternalism in furthering plans of colonial development. But, unfortunately for the success of her aims and purposes, she finds that a serious handicap is imposed upon her by her late arrival in the field as a world-power of the first rank. Germany wishes to expand, the sentiment of both her ruler and people favors vast dreams of colonial expansion, but, to use a homely metaphor, she occupies the analogous position of an eagle imprisoned in a hencoop. Germany has the means and requisite ambition to fly, but her best intentions are frus-



trated by the disconcerting fact that there is nowhere that she can fly, no broad fields and pastures new where she can work out her plans of colonial expansion without treading on the toes of, or infringing on the prior rights of, alien nations and policies.

In Europe there is, naturally, no opportunity for her to expand. When she turns to Asia, to Africa, or to North America, the conditions are no more consoling; all the territory available for territorial expansion is hedged in by walls of prior spheres of influence or spheres of possession of alien nations. But turn to South America and the conditions are reversed. "Ah," exclaim German statesmen, "here are the conditions for which we have been seeking. Here is a vast continent incalculably rich in every economic and industrial resource, but withal a continent that is moribund, a decaying corpse of a thing, an eyesore to civilization. Under their present forms of government, these South American countries are making no real progress, even with every favorable condition at their hands. Ah, here at last is a vast territory awaiting development, and by undertaking their regeneration not only would we be gratifying our own desires for colonial expansion, but by bringing to the process of their regeneration the blessings of a stable government and sound economic conditions would be conferring a distinct benefit upon the world at large."

Furthermore, the question of colonial development with Germany is as much one of necessity as of choice. The rapid growth of the German population and the menace of dangerous congestion at home demand that she must find ways and means to avert this threatened inimical condition of affairs. Germany must expand. Asia, Africa, Europe, and North America, as we have seen, are closed to her; South America alone provides the opportunities for which she seeks. With nations, as with individuals, when confronted with two horns of a dilemma, it being absolutely necessary that one shall be grappled with, prudence and common foresight dictates that that one should be

seized which can be most easily grappled with. In her dilemma, after a careful survey of the field, Germany sees that in South America alone the conditions exist which satisfy her needs. True it is that in the fructification of her plan there stands the moral barrier of the Monroe doctrine regarding the non-intervention of European powers with the political entity of the various countries of the western hemisphere. "But," argue German statesmen, "the United States has itself nullified the potency of this promulgation by adopting and pursuing a policy of colonial expansion in an alien hemisphere. How, therefore, can she rightly or justly interpose objections to other nations following similar lines of procedure? The moral sentiment of the entire civilized world would be opposed to such a dog-in-the-manger attitude."

All this has doubtless been carefully reasoned out by German statesmen, and it cannot be denied that they have many arguments, which it would be unjust to deem as specious and puerile, on their side. Whether beneficial or otherwise, it cannot be denied by the fair-minded observer that what success may be eventually gained by the new departures in our national policy of the last few years has been gained at the cost of a notable moral setback in the just maintenance of the principles of the Monroe doctrine. And, in dealing with a nation as keenly astute as Germany, we are dealing with a power which will not be tardy in seizing upon and using to its own advantage any powerful moral instrument that we may place in its hands.

There can be no denying the fact that at the present time the German sphere of influence in South America is greater than that of the United States or any other power. For many years German colonists have been pouring into Brazil and the other republics of eastern South America. In Brazil and the Argentine republic there are at the present time no less than 4,000,000 inhabitants either of German nationality or of German descent, sufficient in numbers and influence to seize upon the governments of these countries any time they shall elect. Nor is this a con-



tingency far-removed. The German colonist is not assimilated, his sturdy Chauvinism and Teutonicism is not obliterated or altered by contact with alien conditions and peoples. It is this complexion of the German character, if we give to it the respect which it deserves, which must needs provide serious cause for reflection in considering the continuance of our moral and economic dominance in the western hemisphere. It is certain that, having the necessary physical power, these German colonists in South America will not long permit a continuance of the disturbing and anarchical conditions characterizing the present condition of the countries in which they are domiciled, which prevents any real progress and arrests legitimate economic and industrial advancement. Who, therefore, could measure the danger if these selfsame German colonists, in order to safeguard properly the diversified and valuable interests which they have at stake, should deem it advisable to take the reins of government into their own hands?

There is nothing strange or unjust in this attitude; it is but similar to that which would be adopted by any other nation or individual similarly circumstanced; neither could we with justice interfere in the accomplishment of this result. And this gives rise to a delicate question which it would be futile to ignore, and which cannot be solved by running away from it. Allowing that in the near future, as all surface indications seem to show, Brazil and the Argentine Republic will to all intents and purposes be *quasi*-German republics, or republics where the Teutonic sphere of influence is predominant, the transition from Teutonic sphere of influence to sphere of possession is far less remote than would appear from a merely superficial consideration of the issues involved. That the expansive ambitions of Germany in South America, from downright national necessity, will put to a severe test our continued and successful advocacy of the Monroe doctrine in the near future is a thing upon which close students of international politics agree with unanimity.

In the case of Germany we know, or at least should realize, that we are dealing with a power whose imperial interests by the sheer force of destiny must conflict with ours; and hence the need, at no time more than at the present, of a vigilant national policy. It must be a policy that leaves no possible eventuality out of account, for at this very moment German action in South America is furnishing us with an indication that Germany is prepared to push her advantage unflinchingly, even in regions where her interests are very far from predominating. If we are determined to enforce a continued insistence of the principles of the Monroe doctrine, prudential reasons alone demand that we should not be blind to the political possibilities of the economic transition undergoing progress in South America.

*Russian Political Unrest.* It has been the custom of many writers of recent years, without troubling themselves about the historical conditions under which the political development of Russia takes place, to declare that the only means of making her happy is to transform her autocratic government into a constitutional system. For my own part, and speaking from the viewpoint of one who has closely followed Russian political conditions for many years past, I affirm that it is quite as questionable to transform in a day an autocratic system centuries old into a constitutional system as it would be difficult for an American to induce his fellow-countrymen to take an autocratic system in preference to our constitutional one.

From the point of view of practical politics it is not difficult to foresee that the only kind of a constitution which a state like Russia could have without previous preparation is the farcical system which, masquerading as a constitution, is debasing France, and which, if transplanted to Russia, would substitute for a single autocratic ruler, noble by race and instinct, good and just within the limits of what is humanely possible, a thousand and more tyrants and despots, picked up from the streets, and capable



of all enormities under the shield of absolute irresponsibility.

The Russian people has two enemies; one is the intellectual liberal, who arraigns the autocracy in order to fasten upon it the responsibility for the obstacles which national development in Russia encounters on its course. These obstacles are the result of the bureaucratic centralization which is growing greater every day in the hands of the *tchinovniks* (officials) of the administration. The *tchinovnik*, who represents Russian centralization, is the second enemy of the Russian people. The intellectual liberal is simple enough to believe that, on the day she attained to the possession of a constitution, Russia would be rid at one stroke both of the yoke of autocracy and the yoke of bureaucratic centralization. It is a gross and fatal mistake. Russia would lose all the benefits of autocracy—that is certain—but its defects would be multiplied a hundredfold in the horde of tyrannical deputies who would seize upon the legislative power, and who, to assure and consolidate their despotism, would be obliged to give the yoke of bureaucratic centralization far greater strength to crush the people in the provinces.

The Russian people would be condemned to become the victim of a conspiracy of some thousand deputies, allied with the million officials of the bureaucracy—a conspiracy from which a constitutional sovereign will be powerless to save it. That is the fixed, inevitable fate in store for Russia, not deliberately planned, but resulting quite naturally from the force of circumstances. A Russian sovereign devotes himself to his destiny, as a sacred mission, but provincial Russia lives a life of such confusion that not merely is it incapable of furnishing representatives of the people but it has not even the primal elements of individual independence wherewith to withstand the wave of bureaucratic centralization, which is ever gathering new force. This is why, if there is a yoke which hinders Russia from a life of self-development, and one from which she has need of being freed, it is certainly not that of an abso-

lute monarch, but simply and solely that of bureaucratic centralization. This yoke paralyzes her liberty, her strength, and her people, over the whole expanse of her wide domain.

What force is there in Russia that can overcome and combat this hydra? I have pointed out already that, so far from the deputies under a constitution being able to do this, they would inevitably make the yoke of the bureaucracy heavier than ever. Evidently the only force which can rescue Russia from the yoke of bureaucracy and centralization is that which has saved her from the yoke of the Tartars, from that of internecine war—the power of an absolute sovereign. He alone can, by a stroke of the pen, by a resolute and firm exercise of authority, give the awakening of self-government to the provinces of Russia which lie in drowsy bondage under the yoke of the bureaucracy; he alone can abolish the labyrinths of its centralization and call every government (section of the country), under the direction of upright, able, and liberally-minded leaders, to the task of intellectual or manual labor allotted to each of its inhabitants. The accomplishment of this work would be the salvation of Russia, and it would also mean the creation of the only solid basis for such a reform of the Russian governmental edifice as would give the absolute sovereign counsellors helpful to him in all the problems for which he needed their assistance.

*Discontent in Spain.* In different provinces of Spain the constitutional guarantees are still suspended, disturbances have taken place with somewhat disquieting frequency, and as usual upon such occasions the Carlists, supported mainly by the clergy, who hope for a return to unrestricted power under Carlist rule, are very active. But it may be stated with truth that the Carlist strength in Spain has been greatly weakened in recent years. They did not make use of the occasion when Spain, during the war with the United States, was denuded of troops and they will not rebel now when one of their own princes, the Prince of Carsta, has



been married for several years to the Princess of Asturia. These frequently recurring minor Carlist disturbances generally look more like stock-exchange maneuvers than serious rebellion. It is doubtful if the present troubles are the forerunner of that debacle which has long been predicted for Spain, for Spain has passed through many similar experiences of late, and each time the trouble has passed off.

Naturally the present condition of political and economic conditions in Spain is not all that her well-wishers could ask, but the Spanish-American war exasperated the people, and not only have they not yet consoled themselves with the loss of their rich colonies but they cannot forgive the government for wishing to maintain a fleet when there are no colonies to protect, and an army when no foreign foe menaces Spain. From time to time there will doubtless be parliamentary crises, but the monarchy is safe, as there is no combination among the disaffected factions. Abolition of the monarchy would mean a state of civil war, and the best people are aware of that. The international position of Spain today is not fixed, but many of her best informed statesmen rather incline to the belief that the loss of her colonies was a present misfortune which would ultimately work to her economic advantage. They illustrate their modern contention by pointing out, for instance, that their diplomacy will have henceforth not only a better vantage-ground from which to go on trying to induce the Spanish-American republics to consent to closer relations, political and commercial, with the old mother-country, now that she has severed all connections with the new world, but also a better starting point for negotiations to put the commercial and all relations between Spain and the United States on a better footing on the principle of reciprocity of concessions. While the immediate results of these altered conditions are not baldly patent, this very element of discontent is in itself a hopeful sign for the new Spain which is to rise, Phoenix-like, from the ashes of the old. It is not at all

doubtful that Spain, like many another nation, will discover eventually that present unrest and political body-sickness are the safest and most efficacious remedies to ensure future political and industrial solidarity.

*What of the Future in China?* Now that the seething cauldron of political witchcraft in China—which threatened to involve the whole world in one vast, overwhelming and tumultuary convulsion—has had time to simmer down, would it not be advisable to make a more searching inquiry into the underlying motives which provoked China's militant defiance of collective civilization? While such a consideration will not remedy what has already transpired, it will serve to lay stress upon certain fundamental principles which must not be lost sight of in providing ways and means to govern the future policies of the relations of the western world with this patriarch of nations, if we would wish that China should gradually be drawn within the comity of nations, as a useful integral part of common civilization, rather than antagonized into a powerful menace to the world at large. It is the consensus of opinion among all unbiased writers that continued coercion and the ignoring of her rights will sow further seeds of distrust and hatred of all civilizing influences among the Chinese, and will prepare for a national uprising at some future date more terrible in its effects than a hundred Boxer outbreaks. The Chinese are not an assimilative people; they would not be absorbed by any nation, or nations, that might attempt to conquer and rule them. To a certain extent they are cohesive, their general interests being identical, and the partitioning of China and the drawing of territorial lines would not stifle racial sentiment. This sentiment, in fact, would only be accentuated and consolidated into a powerful political menace in the face of foreign aggression. Prudential reasons alone should prevent us from losing sight of this important fact, for who can measure the danger if, by the continued pursuance of unjust and immoral policies (which it must be confessed

has characterized the past relations of the civilized world with China), the teeming Chinese millions should forsake the peaceful paths of industry for the sword? Such things should give us pause and cause us to think. Time will, of course, remedy matters in its own way; wisdom and forbearance in the future may happily ward off further collision and catastrophe. The Chinese are not a warlike people either by nature or training,—the force of circumstance alone could make them such, when they would be practically invulnerable from the very immensity of their numbers. The important feature, and the one upon which I would lay most stress, is that on collective civilization itself will devolve the full responsibility of the future trend of Chinese feeling and policy, and its concomitant results. The fact that the policy pursued by the civilized nations of the world toward China for many years past culminated in such a disastrous episode as the Boxer outbreak, shows that this policy must have been wrong, and its re-pursuance would only serve to add fuel to the fire and upraise more menacing features in the future that might not be so easily controverted. We cannot afford to ignore these considerations in an intelligent aftermath.

One thing is certain,—China's political and territorial entity must not be further disturbed. By far the wisest policy for the civilized powers to support would be to assist the Chinese in maintaining their integrity and developing the economic and industrial resources of their country. Apart from political considerations, and assuming that China will be allowed to enter upon the path of national development it will soon be shown that she has profited greatly by the injection of western methods and ideas, from which not only she herself but the world at large will obtain reciprocal advantages. In the end every nation will find that a merely commercial relation with China, rather than an active political interest in that country, will be fruitful of the best results.

We have heard much of anti-foreign sentiment in China, but it is not a sentiment so deeply rooted that it would



not disappear before a policy of justice, equity and liberality. If China can be made to understand that in the future her interests are to be looked after as well as our own, there will be an immediate and gratifying response to such altered conditions. What is necessary, above all else, is to inspire confidence,—to provide in visible form an example of our interest in her welfare, to make it clear that promises are concrete things to be regarded scrupulously at all times, even when they may not for the moment promote our personal advantage,—and to show that civilization is to be welcomed as a friend which, instead of menacing her existence, brings to her material advantages. If this policy is inaugurated, and strictly pursued in the future by the western powers, from what I know of China from long residence and wide travel in that country, I predict that the stimulus given to commercial and humanizing activity will be such as to startle even the most ardent optimists.

The problem of China in the future will present many a feature that will tax sorely the temper and resources of civilization. Tact, prudence, and a policy of broad altruism will, all in good time, work out a solution of the problem on a satisfactory basis. Brutal lust of territory, the ignoring of civilized ethics that there must be a give as well as take policy, and a repetition of the mistakes of the past, will pave the way for conditions that will prove to be a world-calamity.

## THE NON-UNION MAN *vs.* THE "SCAB"

In a recent address on trade unions before the Economic Club in Boston, President Eliot of Harvard University said:

"Some years ago I had the honor to state in a paper, on an educational subject, to be sure, that I thought the modern 'scab' was a very good type of a hero, and I remain of that opinion. And, moreover, my belief is that that is the opinion of nine-tenths of the American people."

Nobody will doubt that this is President Eliot's opinion, though it may well be doubted that nine-tenths of the American people agree with him. But it is true that a very large number of people who have come to accept the idea of trade unions as necessary, even if a necessary evil, do regard the non-union men as more clearly representing the American idea of personal liberty. As President Eliot further says:

"Every American instinct protests against the violent prevention of a man selling his labor where and when and for what he chooses to sell it, and somehow or other—I cannot tell how—that liberty needs to be preserved and protected in our country."

It is not to be denied that trade unions are hostile to non-union men; that they show their hostility in various ways, sometimes even carrying it to the extent of inaugurating a strike to secure the discharge of non-union men. This is manifestly coercive and oppressive, but it is one of those objectionable phases of labor unions which has come as a result of certain other objectionable conduct on the part of employers, who have constantly sought to give the non-union man the preference over the union man, thus defeating the purposes of the union, and ultimately destroying it. Harsh as it is, it is one of those crude methods which have been adopted in the sense of self-defence.

This has tended to make the non-union man seem like a martyr in the eyes of the public, and especially in the

eyes of those who think the right to sell their labor where and for whatever they choose is the foundation of personal liberty. Between those who think him a martyr and those who think him an enemy to labor, the non-union man has come to be regarded as synonymous with a "scab." This is a great mistake; they are not necessarily alike; indeed, they fill quite different functions in the economy of industrial adjustment. The non-union man is one who simply does not join the union. This is not always, nor even generally, because he is hostile to the union. He stands aloof for a multitude of reasons; sometimes because he is reluctant to pay the dues and assume the responsibilities of membership; sometimes because he has a personal dislike for some of the officers; but much the larger number stay outside the unions from a general indifference. Theoretically, they believe in the unions; they are in general spirit and action in accord with them, but lack that interest which materializes in active service.

In this they are not different from the great majority of people in all other walks of life. Take the church for instance; probably ninety per cent. of the people who do not attend church are not restrained from going because they are hostile to Christianity, or indeed seriously critical, nor because they have any objection to the work the church is doing; but they have an indifference to that specific call to duty; the attractions in many other ways are stronger than that of going to church. The same is true of politics. The leaders in both parties complain that their adherents do not join the respective organizations and participate in the actual duties of political propaganda. Hence the complaint that caucuses are neglected and many of the best people in the community, socially, do not take the trouble to vote, much less attend caucuses and conventions. This is not because they do not believe in the republican or democratic party, but because of a general indifference, or stronger attractions in other directions.

The same is exactly the case with the great majority of workmen in the different industries. This is shown



by the fact that non-union workingmen in the main act with the unions, just the same as the great mass of republicans vote the republican ticket, though they neglect the caucuses and fail to attend even the campaign meetings. So, when a strike comes on, the great mass of non-union men go out with the strikers and go in with the strikers; they abide by the decision that the union accepts, and, moreover, the union men always share with them the strike funds. In the recent coal strike, only a small fraction of the miners were members of the union until the strike was imminent; but the non-union men were just as loyal to the strike as the members of the union, and the union was just as loyal to the non-union men as if they had each paid their dues.

It must be admitted, however, that the union men, like the church members or the members of other organizations, do all the work between the periods of exceptional activity, such as strikes and political campaigns. They pay their money and carry the burden, and do the work, in the benefits of which the others share when the crisis comes.

But the "scab" is altogether a different man. He is the one who, when a strike is on, takes the place of the striker. If President Eliot and those like him really knew more of the character of the "scab," knew more about the actual kind of laborers that become "scabs," they would hesitate about calling the modern scab "a very good type of a hero." As a matter of fact, in probably ninety per cent. of the cases he is really a loose, irregular, disreputable, *quasi*-tramp laborer. He is the kind that seldom works regularly and is almost never a good workman. "Scabs" are essentially camp followers of labor disturbances. President Eliot is probably not aware that in case of strikes the chief object of the employer is to demonstrate to the strikers and to the public that there are plenty of men who are willing to work on the terms offered. In order to demonstrate this they send out into the highways and hedges and offer exceptional inducements for men to come to work, simply to make a showing. The writer knows of several instances of the kind, where the wages offered

have been fifty per cent. more than the strikers were asking. In addition to this, they often furnish board and lodging. They seldom expect to keep these workmen permanently. They know in advance that only a few of them will prove competent workmen; but these men serve the purpose for the time being, as instruments to break the strike.

Moreover, in most industries it usually happens that they spoil as much as they accomplish. The writer remembers one instance where the incompetency of the "scab" laborers was such as to render them actually worthless, and in order to make a showing the material was taken out of the machinery which stood round the outside of the workroom, nearest the windows, and the machinery was run empty, the "scabs" simply moving the machines as if they were working, so that the passers-by, hearing the noise, would think the factories were running, and the newspapers would announce with flaring headlines that the mills were rapidly filling up and would have no use for the strikers if they remained out a little longer. Of course, there are exceptions; but in the main there is really no heroism in the "scab." And he doesn't come as a hero. He seldom comes because he wants to work. He usually comes because there are exceptional inducements offered and because he is made an object of considerable attention.

Now, as to the right of the "scab,"—this "sacred right" which seems to be more precious than the right of anybody else. Of course, the idea behind the eulogy of the "scab" is that he is a man out of work, seeking to sell his services to the best advantage, and that he has a right to take every opportunity that presents itself, and that he should be regarded as a hero and a social benefactor for so doing. Before we accept that view, the case should be examined a little farther. Here are a hundred men out of work. It is important to the welfare of society that they be employed; but it is not important that a hundred other men be discharged in order that they may be employed. The economic and social and moral condition of the community is not improved by any such process of swapping places.

What is really wanted is, that the hundred men should have employment. Now, when the strike occurs, one hundred vacancies have not been created in any true economic or social sense. The vacancies that have been temporarily created are really in a state of negotiation. Those who have vacated their jobs have done so with a specific purpose, namely, to improve them. If they succeed in improving these jobs, whether it be by securing more wages, shorter hours, better sanitary or moral conditions, or whatsoever, those places will be better for whosoever fills them thereafter. Moreover, through the moral effect of this, all similar places throughout the country will be improved much more quickly. If this occurs, if wages are increased, if hours of labor are lessened, if the conditions under which the laborer works are made more wholesome or more moral; if, in short, any specific improvement in those jobs has resulted from the strike, then a permanent benefit has been added to the conditions of the whole class, and forever.

If the "scab" takes that place which was not normally for him, which would not have been vacated but for the fact that the other man was willing to undergo a sacrifice to improve it either for himself or others, he not only does not lessen the total of unemployed, but he defeats the effort of the other man to improve the condition of his whole class. He makes the job worse for himself, for everybody else, and for those that come after him. Is he a benefactor? To the extent that he succeeds he prevents improvement. His only contribution is to the forces that make it impossible for the laborers in that group to get better economic or social conditions, and he is used specifically for that purpose. Under no other conditions would he have been employed. He is employed only as an instrument for preventing that improvement.

From the viewpoint of the progress of society the "scab" is an injury. He lacks every element that goes to make up a hero; his whole attitude is that of the sneak and the camp follower; of the man who robs the corpses on the battlefield, or attends a fire for the sake of the pickings.



He contributes no element, either of personal honor, public spirit, or good workmanship, and adds nothing to the forces which make for the social betterment of anybody. There is every reason why honest, industrious laborers, whether members of unions or not, should despise the "scab" and refuse to associate with him. It is an ethical impulse to ostracize him.

The non-union laborer and the "scab" have almost nothing in common. The non-union man really fills an important position. His standing aloof from the union for a multitude of reasons, none of which are really hostile, does much to put the union on its good behavior; it makes it impossible for the union to be as coercive and dictatorial as it otherwise would be. In order successfully to conduct a strike, in most industries the union is compelled to command the cooperation of the non-union men. If all the non-union men would refuse to quit work, few if any strikes would be successful. The trade union needs this check, which amounts to an effective criticism on its conduct, holding it up to a standard of responsibility.

It would be a misfortune today if trade unions could have complete control of the laborers in any considerable field of industry. Their spirit of fairness, their standards of equity, their conceptions of economic relations, the rights of capital and the public, are all too narrow and crude to be entrusted with any such exclusive power. In the present state of development, with such power, trade unions would be intolerable despotisms; they need the checking influence of non-union men, and also a considerable number of defeats, in order to educate them up to a rational standard of conduct. The non-union man is not an enemy to labor, not even of organized labor, and in the main he is not so regarded; on the contrary, he is a useful element in the industrial controversy of today; but there is no sense in which this can be said of the "scab."

## ESSENTIAL UNITY OF FILIPINO DIALECTS

DAVID J. DOHERTY, M. D.

Among the many documents issued by our government on subjects connected with the Philippines, the one entitled "El Archipielago Filipino" easily ranks first. It is almost an *edition de luxe* in its make-up, consisting of two royal quarto volumes of text and a folio volume of maps. Its contents are a study of the geography and material resources of the archipelago and of the origin, character and language of the inhabitants. The work was composed and furnished to the first Philippine commission by the Jesuit fathers, who state that: "They were actuated by the desire of doing something which, while of public utility, would also be an act of courtesy (*obsequio*) to the new government, which since its installation in Manila has shown its good will to the mission of the Company of Jesus.

A circular issued by the state department says: "This work was published for the remuneration of persons in the Philippine islands who contributed scientific and cartographic material to the report of the first Philippine commission." A few copies were also distributed among the leading libraries of this country. The text of the work is Spanish, which of course impairs its usefulness to the American public.

In the part of their work entitled *Idiomografia*, the Jesuit authors treat fully of the question of languages among the Filipinos. In this country the opinion has prevailed that the languages of the Filipinos not only are very numerous but also are mutually unintelligible. The authors of "El Archipielago Filipino" admit that the dialects spoken in the islands are as numerous as the tribes that inhabit them, but they also show that all these tongues are joined in close relationship with one another and with the Malayan language. They account for the variations which exist by former wars among the natives, by lack of inter-

communication and by mixture of foreign races. Their conclusion is that the primary language of the Filipinos is a single one and that it is a daughter of Malayan.

The relationship of these dialects with one another and with Malayan is shown:

First. By the ancient alphabets, which are in appearance almost and in value fully identical with one another. The Tagalog seems to have been the model from which the Visayan, Ilocoan and the others were copied. Such is the opinion of Chirino, Marcella, and other early missionaries who wrote on this subject.

Second. By a comparison of common words. The authors have arranged a list of these in six parallel columns corresponding to the six principal dialects. A glance shows the practical identity of the words.

Third. By grammatical structure. The large number of particles common to all, the harmony in their use not only as words but as modifiers of meaning of roots, the formation of words, the peculiar mechanism of the verbs and in short the entire grammatical system point to identity.

The authors state their conclusions in these words: "The harmony which exists between all Filipino tongues, even to the point of reducing them to a sole language so closely related to Malayan that it either proceeds from or is a modification of Malayan, is entirely consonant with the doctrine laid down in the part on Ethnography (as to the Malayan origin of the Filipinos)."

An Italian, Carreri, who visited the archipelago in 1697, gives the same judgment as to the practical identity of the dialects: "Though they (the dialects) all differ, yet with the help of one the others are soon learned."\*

Father Gaspar de S. Augustin, who wrote a Tagalog grammar in 1703, says: "Certainly the dialects are not wholly different one from the other, but they are dialects of a common language, the Malayan; just as in Greece there were the Attic, Ionic, Eolic, etc., dialects of a common language."

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\* Voyages Around the World, Vol. VI., London, 1745.



In his *Arte de la lengua Tagala* (published 1745), Totanes speaks thus of the Filipino dialects: "If any dialect of the many found in these islands has the right to be called common, it is the Tagalog, on account of the larger district in which it is spoken and because that district is the center of all the others to which as to a court (namely, Manila) multitudes come from all parts, islands and provinces. Wherefore, any one who learns Tagalog well may go anywhere throughout the whole kingdom, secure that he will find everywhere persons by whom he may be understood." (Preface, p. 3.)

All this ought to dispose of the fallacy of "many tribes and many tongues" which has contributed not a little to warp the judgment of the American people on the Philippine question. The Filipinos are a people easily the foremost of the Malayan stock by virtue of their aspirations and not of their achievements. They are a Christian people, who have been for three centuries under the influence of Christian teachings. Their general morality is admitted. Their courage we have proved.

It passes the understanding of a common man like myself why congress should hesitate to proclaim their right as a people to life, *liberty* and the pursuit of happiness, and why it should not long since have declared that they "are and of right ought to be free."

## THE BUGBEAR OF COMMERCIALISM

FRANK BASIL TRACY

This indeed is a commercial age. We have been told that so often and with such bitterness of spirit that we are expected to believe that during the last forty years the people of the United States have steadily devoted themselves to the degrading pursuit of wealth, to the monotonous and unpoetic life of toil, for mere lust of gain. We have laid the ghost of negro slavery and secession, and have become mere seekers of gold. Our national wealth has increased tenfold, our people have become better fed, better employed, better housed and their knowledge has wonderfully expanded,—but in vain; over it all is the baneful shadow of the dollar, the dollar which possesses the man. During the last five years things have supposed to have grown rapidly worse. Our commerce has girdled the earth, our wares have invaded every mart, we have thrashed one nation soundly and we have expended millions in subduing a rebellion of simple people, fostered by the wise at home; and yet we have persisted in piling up wealth more abundantly, accumulating a tyrannical surplus in the treasury, maliciously cutting down the rate of interest as well as the national debt itself to the woe and consternation of foreign investors. All this is the evidence of the workings of that new dastard foe to American liberty, commercialism. Commercialism controlled the elections of 1896 and 1900 in order to keep the people in bondage and increase their income; commercialism provoked and brought on the war with Spain in order to enable its chiefs to grow fat over revenue stamps and army contracts; it demanded the rape of the Philippines in order to prey upon and educate the natives; it plotted to throttle life and liberty in Porto Rico, and it is now struggling with might and main to starve out Cuba, the same island it so basely went to war to save.

But the most dangerous feature of this commercialism is the form it now assumes, that of combinations or "trusts." By these combinations, illicit in theory and outlaw in practice, the small dealer is being crushed out, the people as consumers are compelled to pay exorbitant prices fixed by the trusts and as producers are driven to accept employment at any miserable wage the trust magnate grudgingly pays. This trust magnate is a tyrant in the conduct of his business, he cares nothing for his own or his employees' souls, he is shamelessly ignorant and is wholly deficient in taste, in breeding, in culture, and in the veriest primary elements of proper and gentlemanly conduct. There is only one kind of rich—the newly. There is only one kind of trust—that which would grind the people down to serfdom. There is only one aim in commercialism—to rule, to crush, to steal. We have trampled upon the high principles of our forefathers, the age is growing more gross, corrupt and base, and even the morals and integrity of the people are honeycombed with lust, greed and deceit. And at the root of all this degradation stands commercialism, the master and the monster spirit of the age.

This is, I believe, a fair statement of the position of the Jeremiahs of the present day. The prevalence of this sort of attitude among those who write or speak for public consumption is at once striking and most illogical. Among the professional bookmen, the literary workers, to sneer at wealth and the wealthy and paint doleful and Cassandra-like pictures of the wreck to be wrought in the future by commercialism is almost the required badge of membership in the guild. Of the other class of opinion-venders—the politicians and statesmen—one political party goes its full length in lurid declamation and passionate condemnation, while the other is composed about equally of weak apologists for and fierce enemies of this commercialism. Many of these prophets of evil are of the sanctuary, many are guides and educators of youth. The most vehement are the politicians of the minority side. But all are infected with the virus of anti-wealth.



While this condition appears to be as anomalous as it is illogical and absurd, it is in some degree natural and to be expected. It is an inevitable, though unimportant, incident in the evolution of this movement. It is proof of a failure to comprehend the real trend of the age. This new movement, this trend of the age, is simply a part of the evolution of human society, a mighty step in advance; although the changes have not yet crystallized into permanent conditions.

With all the setbacks, the mistakes, the calamities, human society has been advancing step by step, slowly evolving better conditions. For the past half-century in America, two forces, the state and literature, have dominated and ruled. In any temple of fame, nine-tenths of all the honored would belong to the state or literature, chiefly because they were really the moving forces of the nation. But all this time, growing up slowly, has been this silent force of commercialism. Within the last five years it has taken tremendous strides in advance and has come out into the open as the master of the present and the immediate future. How has it come to be so powerful, how has commercialism been evolved, what is the justification of the trust?

The "money power" has grown so great simply because it has accomplished so much. It has stood, first and fundamentally, for growth, for more wealth, more factories, more markets; more employees. It has exerted the utmost of its gigantic force to turn the people toward industry, and has made this no longer a political, brawling, sectional people, but a nation serene in the arts of peace. It has done more for the advancement of the millennium and world-wide peace than any other one agency of man's invention, and yet, strangely enough, the very class who loudly prate of the wickedness of war solemnly protest against the machinations of the money power. It has been the handmaiden of civilization and progress. It has made of us a nation of workers, eager, resolute, daring. This has been its most important work. Wealth and the wealthy have

also been the centre and source of most of the popular reforms for improving the condition of wage-earners. It sounds trite to affirm that wealth and the wealthy have made possible our vast libraries, art galleries, schools, universities, social settlements, and the never ending list of philanthropic and charitable institutions. The masses do not contribute to these great institutions, except by taxation to which they submit most grudgingly. It is this "money power" which is back of some of the noblest movements of the age.

Why do we admire the rich man who has plainly won his own wealth? Because we know that here is a genuine, tangible success. With what may we compare success in wealth-getting? Success in literature? Yes, there are some genuine ones, but it may be merely a sudden whim of the public, duped by a clever mountebank. In art? The production of works over which critics, who only ought to be capable of judging, interminably quarrel. In music? Another bone of contention of critics in whose judgment personality, the trick of a phrase or feature, may be determining factors. In criticism? But read the reviews of books or of art works or of music or the drama, to see the extraordinary diversity of opinion and learn how false and shifting is the value of criticism. In the pulpit? As on the stage. In the law? Perhaps a rogue's reward or the product of a smug, owlsh pretence of wisdom. In medicine? Perhaps luck or fashion. In politics? Countless avenues for preferment without desert or honor. And so on throughout the list. The shadow of a possibly bad title is upon them all; you may never be sure that success has been won by labor and merit. But the "self-made" wealthy man we know has wrought his wealth by his own energy and brain; there was no one standing ready to make it for him. The cynic sneers at this success as "easy enough if one is willing to give up the real things of life to win it," knowing in his heart that he possesses neither the capacity nor the native industry to become wealthy.

The rich, like the members of a church or club, will

suffer from the evil and silly deeds of the unworthy of their class. The vandals, the splurgers, the vain boasters and strutters will continue to fasten a taint upon the rich, to which class many of them belong through little effort of their own. The rich men's sons, who haunt clubs and dressing-rooms and have no ambition to keep step with the firm, powerful and earnest tread of their forbears, excite just derision and contempt; indeed, no mere inheritors of wealth as such attract or deserve public recognition or honor. The world applauds the doer, first of all. And it applauds the self-made rich man, mainly because he is a doer. The rich man who is not a doer is shunned or jeered, most justly.

The captains of industry, so-called, are the agents of mighty changes, great transformations which not one or all of them fully understand. They do see very far into the problem just before them, but they cannot see the whole. They are also modest men; so modest that when one of them on the witness stand casually remarked: "Ten million dollars doesn't amount to much nowadays," although the public gasped with astonishment, it saw in the statement no thought of boasting. Indeed, modesty, no less than generosity, is a distinguishing trait of the wealthy. Any newspaper man will tell you that almost every class of persons demands mention in his journal more than the real architects of present day events. Who has not gone through the great business districts of a city and read scores of names on signs, none of which he might read in the newspapers of that city if he lived there for a decade? In spite of the proverbial itch of the *nouveau riche* for recognition, few classes of society push themselves so little. Take up that most interesting volume, "Who's Who," and you will find there all the relatively unimportant persons who have turned out volumes of unread stuff, while great agents of production, distribution or consumption are unmentioned.

The world has really not been a fit place for the poor man to live in until the last fifty years. The increase in the comforts of life, and the revolutions accomplished by inven-



tions and new processes, all pay tribute to the magician capital. Not only that, but with this growth of material welfare, side by side, step by step, has come greater intellectual and moral freedom. It is a gross misrepresentation to charge commercialism with trying to muzzle and suppress human liberty when it has been through commercialism that the fetters have been lifted off so many of the human race. Without commercialism, in the present state of society, prosperity would be impossible. Ten million dollar deals are so common that we do not realize how necessary they are in our mighty organized civilization to carry on the world's business. The present system is based upon the necessity of prosperity. Every big deal is an evidence of present prosperity and a token of a "projected efficiency" (to use Benjamin Kidd's phrase) in the future. And prosperity is an absolute prerequisite to national and individual equilibrium. A people or race cannot be religious or sane unless it is normally prosperous. Our present age may have lost somewhat in grace, poetry, esthetics and music, but it has gained in strength, poise, serenity, knowledge and honor. Commercialism is a most vital factor in our civilization because it is bound to maintain this serenity by providing sure foundations for our prosperity.

Finally, we must realize that this era of commercialism is only one link in the chain of time, one of the steps in the process of evolution. We cannot tell how great will be its sweep nor in what forms it may be manifested. The stage upon which these mighty forces are acting is so vast and the actors so many that only with great difficulty can we gain a true conception of the movement of the play. We do see clearly that the old ways and methods have passed away and that a new element is ruling our affairs. Consolidation, community of interest, industrial "trusts," are a part of the progress of the nation, and must eventually be approved and sanctioned by public opinion and the public law.

## EDITORIAL CRUCIBLE

CONGRESSMAN LITTLEFIELD'S bill providing for publicity of the affairs of corporations is a very bungling attempt. Its object seems to be solely to tax watered stock, which is the least injurious element in large corporations. It provides for publicity of all the details regarding the organization or reorganization of corporations engaged in interstate commerce, and imposes a tax of one per cent. on all the capital stock not fully paid up, either in cash or market-value property.

But the one thing for which publicity is most needed, namely, prevention of discrimination in freight rates, Mr. Littlefield's bill does not touch at all. In short, his publicity bill is as inadequate as his anti-monopoly bill is rabid, red-handed and revolutionary. In these two bills Mr. Littlefield shows a lack of insight into the nature and character of industry and a fatal deficiency in the elementary principles of statesmanship.

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IT MUST BE a little discouraging to the prophets of the free silver movement to see the trend of things go so directly contrary to their predictions. Of course, all the ills known in the list of calamities were to have befallen this country if it adopted the gold standard; but, in spite of all this, business prosperity has forged ahead, wages have risen, employment has increased and profits are large, and yet the value of silver has continued to fall. Today the silver in a dollar is only worth slightly over 33 cents; instead of being sixteen to one with gold, it is only a trifle under fifty to one. Even the oriental countries are feeling the necessity of moving towards the gold standard. No delusion ever took more complete possession of the public mind than the sixteen to one notion regarding silver. When it is remembered that Mr. Bryan came very near

being elected, receiving over seven million votes as the apostle of that fallacy, we see how dangerous to the very stability of society a false political theory may be.

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"We are beyond all dispute the best-housed, best-fed, best-clothed and—in spite of passing coal difficulties—best-warmed eighty millions of people in the world. We do more work, get more results out of our work, therefore earn more wages and profits, than any other civilized people. That, too, is because our wealth has not grown faster than our intelligence, for we are also the world's best-schooled and best-educated people."—*New York "World," Nov. 28, 1902.*

FOR ONCE, AT LEAST, the *New York World* was in a mood editorially to admit the truth and make an eminently sensible as well as patriotic statement. It is so much the fad nowadays for newspapers boasting a big circulation, and besmearing their front pages with poster type, to say sensational and silly things and persistently declare that everybody (but themselves) is dishonest, that capital is gorging itself on the robbery of the people, that prices are rising, hardship increasing, and the laborer getting no share of the world's progress, that it is a positive relief to see a statement like the above in a leading editorial of the *New York World*. For once the *World* was eminently right, and it is to be hoped that it will not reverse itself and misrepresent the obvious facts merely to be sensational.

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IT IS NOT surprising that the address of President Baer to the diners of the Pennsylvania Society, on "Liberty and the Constitutional Protection of Personal and Property Rights," brought forth great applause from his auditors. What he said was true, and it has often found deliverance in terms of glowing eloquence by patriotic orators with whom it had its full significance; but from the lips of Mr. Baer, under existing circumstances, it was wonderfully like a parrot repeating phrases it had learned, and to whom the words were empty sound.

While his address is true in the abstract, it sounds



much as would a panegyric on personal freedom by a slave-trading pirate. Of course the constitution safeguards the rights of property and of state authority, but it also safeguards the interests of the public and the free opportunity of the masses to strive for an improvement in their condition. The constitution nowhere endorses or even justifies, much less protects, the use of property to the detriment of the public, and it gives no countenance to any theory of property or government based on the assumption that "God in His infinite wisdom has entrusted" the interests of the laborers to the "Christian men" who own the property of the country.

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AFFAIRS IN VENEZUELA are taking on an unfortunate aspect. It is to be hoped that Germany and Great Britain will not use unnecessary force in carrying out their definitely understood object, namely, compelling Venezuela to pay her legitimate debts. It must be admitted that the sinking of the Venezuelan vessels has the appearance of using unnecessary force. The vessels might have been captured, but why should they have been destroyed? That looks a little like a policeman, who calls to collect a debt, proceeding to break the furniture. On the other hand, it is necessary to order and honest industry that countries like Venezuela should be made to feel that blustering revolution cannot be accepted in lieu of paying honest debts. This is not Venezuela's first offence; she has acted in a most discreditable manner in regard to certain American corporations operating there. The Monroe doctrine may indeed be regarded as a protection for South American countries against mere conquest, but it must not be regarded as a refuge for dishonesty. If South American republics expect the good offices and protection of the United States, they must at least be honest in their dealings with foreigners and fair in their treatment of legitimate enterprise and investments by the citizens of other countries. Not to do this is not to live up to the ordinary standard of civilized countries.

IN TAKING UP certain practical aspects of the labor question at its annual meeting in New York, the Civic Federation has adopted a wise policy. The representatives of both unions and corporations, and of the public, such men as President Eliot of Harvard, Mr. Cleveland, Senator Hanna and many corporation representatives, together with the most responsible labor leaders of the country, show a serious interest in the matter that has never before been indicated. The questions of labor union methods, like restriction of output, limitation of apprentices, and the feasibility of reducing the hours of labor, are among the most important practical matters that have to be dealt with in the actual shop management of business. The spirit was, on the whole, very fine on both sides. The discussion was able, and—what is more—the audience was many millions, because of the comparatively fair reporting of the proceedings by the press.

Public opinion, as well as the opinion of employers and laborers, needs educating on these subjects, and no more efficient method could be adopted than the plan thus pursued by the Civic Federation. It affords an excellent opportunity for the best representatives of labor and the most intelligent and liberal representatives of capital to meet on common ground in good spirit and discuss questions in a rational and dignified manner, which is so seldom possible when a dispute is really pending.

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THE INSPIRING work now being done in this country by Dr. Adolph Lorenz is furnishing an illustration of ideal distribution of the benefits of large wealth and of individual self-development. Dr. Lorenz is universally acknowledged the greatest orthopedic surgeon in the world, and during the last few weeks he has crossed the United States twice, performing scores of "bloodless" operations, free of charge, for the cure of congenital hip dislocation, one of the most distressing and pitiful afflictions to which childhood is subject. The "joy of deliverance" from life-long deformity in

the particular cases treated is, however, only a fraction of the probable benefits of the doctor's work. So far from holding his particular methods a secret or trying to hide his marvelous skill under a bushel, the distinguished Austrian has performed all these operations before large gatherings of American surgeons, and has been at the greatest pains to explain and illustrate the entire process, including short lectures on the operation itself and the equally important after-treatment of the patient. It will not be surprising if the result is practically a revolution in the accepted methods of treating these diseases, to the end of restoring hope, health and opportunity for lives of usefulness to thousands otherwise condemned to years of suffering and dependence, with death as the only relief.

Dr. Lorenz could not reasonably have been expected to leave his large practice in Vienna except for some such special inducement as the princely fee said to have been paid him by Mr. J. Ogden Armour, who was the means of bringing him here especially to operate on Mr. Armour's little daughter. But once here, and having discharged his original commission, Dr. Lorenz has since been devoting his entire time to the service of humanity, and in a way that will send on and out the beneficial results in ever widening circles for all the years to come.

But for the possibility and fact of large private wealth as the initiatory instrument, none of this could have occurred. And in Dr. Lorenz himself we have a striking illustration, as already suggested, of the law of individual self-development working out into the widest altruistic benefits for others. It was necessary that he should rigidly and perhaps exclusively devote himself to perfecting his knowledge and skill in this special field, in order that he might be able so wonderfully to serve the race; just as it is necessary, in the field of political science, for a nation to develop and safeguard its own highest possibilities, industrial, civic and social, in order that it may send the results of its progress all over the world, and furnish an example and a proof to all mankind of what an enlightened civilization can be.



MR. HARRISON R. COOLEY, director of the charities of Cleveland under the Tom Johnson administration, has made a startling discovery regarding the wages and cost of living of the working women of Cleveland. In a report giving the result of a personal investigation of the subject he says he found "that the average cost of living for a working woman was \$5.24 a week, while the average wage is but \$4.83." Thus, according to Charities Director Cooley, the working women of Cleveland are regularly going in debt, and they earn, on an average, 41 cents a week less than it costs them to live. On the basis of all this, Mr. Cooley says: "To those who are permitted to see it, the tragedy of our modern industrial and social system is appalling."

Of course it is to those who are permitted to see what Mr. Cooley sees, or thinks he sees. It does not seem to occur to Mr. Cooley that the case he presents is simply impossible. This is only one of the many ways in which an utterly false conception of industrial conditions is promulgated. Mr. Cooley investigated 38 cases, and he generalized from these 38 for all the working women of Cleveland. He might nearly as well have generalized for all the working women of the United States and probably been quite as near the truth. If the average working woman of Cleveland earns less than she spends, then where does she get it? It is not from "poor relief"; it is not from any source of volitional generosity; it certainly is not that she has everlasting credit. People do not have credit who can never pay their bills, and people who are always earning less than they spend will never be able to straighten their debts; in fact, the very poor can almost never borrow or get credit.

The simple fact is that Mr. Cooley doesn't know how to investigate economic conditions, and in that he is like a great many others. If, in the 38 cases he investigated, there was an average deficiency of income as compared to expenditure, it must have been true, as it is very largely among working women, that some of them do not pay all their own expenses. They are living at home and probably supported by relatives or friends. In every large city a large

portion of young women who work in the shops and stores do not support themselves—do not pretend to; they live at home with their parents, and their earnings are a contribution to the family income. It may be said that this tends to lower the wages of women in general, but it cannot be said that they are going in debt and that they do not secure a living. If they were eliminated, and the wages of those who actually supported themselves were alone included in the average, the case would prove to be quite different. But to jumble up 38 women, a portion of whom only partly support themselves, and estimate the cost of all by the cost of those who wholly support themselves, and strike an average, finding that the wage is less than the cost of living, and then declare that the average working woman is going in debt every day she lives, is a little worse than bungling with statistics; it is doing what is sometimes said is impossible,—making figures lie.

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THE PRESIDENT'S discussion of the trust question in his addresses and in his message seems to have been taken as encouragement, if not an invitation, for congress to make a raid upon large corporations. At least fifteen bills on the subject are now before congress, and the author of each seems to vie with the others in furnishing the most drastic measure against large corporations, to keep those who organize and conduct them constantly in sight of the penitentiary. Messrs. Richardson of Tennessee and Jones of Arkansas, who represent the professional disintegrators of industry, were expected to do the absurd on this subject. Even Mr. Littlefield, who has been regarded, though perhaps not correctly, as the special representative of the administration on this subject, has done very little better. His bill reads very much like a Bryan speech or the resolutions of a populist convention. Its object seems to be to make the expansion of business a crime and successful business men criminals. It declares that:

"Every person who shall monopolize or attempt to monopolize, or combine or conspire with any other person or persons to monopolize,

any part of the trade or commerce among the several states or with foreign nations, shall be deemed guilty of a crime, and, on conviction thereof, shall be punished by a fine not less than five hundred dollars and not exceeding five thousand dollars, and by imprisonment not less than six months and not exceeding two years."

It is also provided in this bill that every common carrier or transportation company which does any transportation business for any such persons or corporations shall be subject to this fine or imprisonment, and that any person whose business shall be injured by the competition of such persons or corporations shall be entitled to recover three times the damage inflicted, in no case less than two hundred and fifty dollars, together with all the costs of the suits and attorneys' fees.

Now, every attempt to undersell a competitor may be called an attempt to monopolize, because it is an attempt to get control of the market. This bill, therefore, makes it a crime for any concern to undersell and thereby drive out of business its inferior competitors, and gives the defeated concern the right to collect three times the amount of its loss, besides punishing with fine and imprisonment the enterprising concern which won in the competitive race. This bill would give every demagogue in the country a right to attack and encourage the blackmailing of any successful enterprise. It is one of the most demagogic schemes that was ever submitted to congress. It is not content with forbidding monopoly, but it makes every "attempt to monopolize" a crime subject to fine and imprisonment.

If such a scheme is seriously encouraged and has any chance of receiving the endorsement of the president, it will have a paralyzing effect upon industry; it will strike down the value of all industrial securities and lay the foundation for a first-class business panic. If the administration party in congress gives encouragement to this kind of legislation, and revision of the tariff, it will make short work of our present business prosperity, which in turn will make equally short work of the political chances of the party in power a little over a year hence.



## QUESTION BOX

### **The Coal Strike and Civic Federation Movement**

Editor GUNTON'S MAGAZINE,

Dear Sir:—Has not the practical effect of the coal strike been to discredit the Civic Federation movement? Only last fall the most prominent representatives of organized capital and labor met and publicly declared that they were now going to recognize each other, and have no more needless misunderstandings. Yet, within six months, there came one of the bitterest industrial conflicts in a generation. How, if at all, is the industrial conciliation movement going about it to regain its lost prestige?

A. G.

There is nothing in the outcome of the strike to discredit the Civic Federation movement. To be sure, in this case it failed to accomplish any results, but the reason for that was that the operators set out with the determination to refuse all arbitration, and beat the laborers out of the field by the slow process of starvation.

The outcome has really justified the idea of the Civic Federation, since it has demonstrated that arbitration or conciliation was the only feasible method of bringing about a settlement. The only difference was that the operators could snub and even refuse to recognize the Civic Federation, but they could not treat the president of the United States with quite so much insolent contempt. What the Civic Federation really stands for was accomplished, but it took the president of the United States to bring it about.

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### **Municipal Ownership of Street Railways**

Editor GUNTON'S MAGAZINE,

Dear Sir:—You would oblige me very much by answering the following questions:

(1) Is there anything in state or national law that would tend to prevent municipal ownership and control of the street railways in the United States?

(2) Do you think that the evils of municipal ownership and control outweigh the benefits?

(3) Do you think that municipal ownership and control is as successful, or more so, in practice, as private ownership and control?

Parkville, Mo.

M. A. S.

(1) There is no legal obstruction to municipal ownership and control of street railways in the United States; nothing in the national or state laws to prevent any community taking over the ownership and control of street railways, provided it recognizes the property rights and does not indulge in confiscation. The only question involved is: Would it be an improvement so to do?

(2) Yes, the probability is very great that the evils of public ownership and control would more than outweigh the benefits. In all lines of economic advancement requiring experimentation and risk, private ownership is vastly superior to public ownership. Witness the government of many of our large cities. Politics have not become sufficiently clean and honest, nor has local rapid-transit sufficiently developed for any improvement to be expected from public ownership.

(3) Our correspondent will find this subject discussed at length in the Lecture Bulletin of October 15th.

### Recognition of Labor Unions

Editor GUNTON'S MAGAZINE,

Dear Sir:—I am not entirely clear about your position on labor unions. You say that the employers ought to recognize the unions and are entirely at fault if they do not do so, as in the coal strike; but at other times you insist that the laborers cannot expect to be recognized unless they become responsible and law-abiding, and worthy of recognition. This implies that they are not yet worthy. How, then, can you blame employers for not recognizing them?

R. S. E.

The world is full of seeming paradoxes. Perhaps this is one; yet it does not imply a contradiction. Yes; employers ought to recognize labor unions, and before there be anything like permanently peaceful relations they must recognize them. On the other hand, labor unions ought to

make themselves more worthy of recognition. Employers today take exception to certain irresponsible acts of the unions and reject all the good in them because of this little bad. In order to remove this excuse, the unions should and must become more responsible, law-abiding, and worthy of recognition.

There is nothing incompatible in these two statements. Unions are now only partially recognized; that is, they are recognized by some employers and not by others. In order that recognition may be more complete, the unions must be more worthy of it, but before there can be anything like permanent, trustful harmony, the employers must more fully recognize the unions. In other words, the recognition that is now only partial should become complete, and in order to make that possible the unions must become more worthy of it and employers more favorable to it. But no solution of the problem can be found in the refusal of employers to recognize the unions, or in the refusal of the unions to improve. The movement has set in towards cooperative action of organized capital and organized labor. The unions will continue to be fractious and unsatisfactory, business-disturbing and perhaps law-breaking, until both parties rise to a higher plane and take on an attitude of more complete confidence in each other; the employers to assume a fairer and more cooperative spirit towards the unions, and the unions to become more worthy of confidence.

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### How Will Shorter Hours Be Attained?

Editor GUNTON'S MAGAZINE,

Dear Sir:—Two of your recent "Bulletin" lectures have raised a question in my mind which I should like to have answered. In discussing "class legislation" you maintained that progress never comes *en masse*, but always piecemeal, or in groups. But in your lecture on "The Eight Hour Day" you have urged that whole groups of manufacturers, entire industries in fact, agree to introduce the eight hour day, all acting together instead of one or a few at a time. Is it not more likely that eight hours will come



little by little, a few concerns at a time, than by whole groups of industries simultaneously? E. W. H.

Yes, it is through sections or groups that the work of improvement in society always takes place, and it is precisely in groups that I suggested the shortening of the working day, I did not suggest it, for instance, for the Filipinos; they probably need more work, not more leisure. They need to be taught discipline, order and thrift. Special industries are exactly the groups through which this can be done without any serious injury. The iron industry, for instance, is an economic group throughout which, generally speaking, the same conditions prevail. Uniformity of hours should come through that group, because it could thus come more easily and with less disadvantage. In the cotton industry, perhaps, the group is least uniform, because there is a new section added to that field of industry, namely, the South. Industrial conditions are much more backward in the southern than in the eastern states, where manufacturing has been the prevailing industry for more than half a century; hence, the nine and a half and ten hour systems which prevail throughout the eastern states are not adopted, and are even opposed, by the corporations of the South, where eleven and a half, and in some cases twelve, hours prevail.

This is a case in which the industries should come together and recognize this inevitable tendency to a shorter working day. Of course, in this case, the South will be most reluctant, but there must be a considerable reduction in the South before much more progress can be made in the other states. If the difference between the eastern and the southern states is too great, and the southern employers refuse, thinking that they have an advantage by their long hours, then other methods will have to be brought to bear, and will be. It will be state legislation. If the cotton manufacturers of the South persistently refuse voluntarily to come into line, then public opinion aided by the economic forces of society will take political form, and the hours will be reduced by legislation. In the nature of things,

the shorter working day must come, and therefore it will come, and it must come in the cotton industry in the South before much more is done elsewhere. Good sense should perceive this, and induce the employers to act accordingly.

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### Is Eight Hours the Ideal Working Day?

Editor GUNTON'S MAGAZINE,

Dear Sir:—Will you please explain why "eight hours" seems to be selected as the ideal working day towards which the short-hour movement should tend? What is there in economics or ethics to fix eight rather than nine, or seven, or six, as the rightful ultimate limit of a man's daily productive labor?  
S. H.

The eight hour day is selected for sentimental rather than for economic or physical reasons. There is a tradition about eight hours. The masons, for instance, a very old institution, divided the twenty-four hours of the day into three eights: eight for work, eight for sleep and eight for recreation. It is said that some such idea was even recognized by Solomon in the building of his temple. This also seems to be emphasized by the fact that most people do need about eight hours sleep; but there is really no ethical or sociological reason why eight is preferable to nine, or seven, or six. The eight hours, however, is a perfectly safe mark to make for when the prevailing working day ranges from nine to twelve.

As a matter of fact, the shortening of the working day ought to be and will be governed by the same principle as the increase in the size of corporations; namely, it will continue until it reaches a point where there ceases to be any real advantage, economic or ethical, from further movement in that direction. It is often asked: Where will the concentration of capital stop? It will stop when further concentration fails to yield any economic advantage. When larger organizations or more concentrated management will yield no increased efficiency and add nothing to the profits or other economic advantages, there will be no motive for further concentration, because the opposite

forces, namely, the desire for ownership in those to be absorbed, is a strong resisting force. Ownership, which implies independent authority, will never be given up without some compensating gain.

Now, this is true in reducing the hours of labor. The reduction in the hours of labor can only go on so long as it does not lessen the aggregate efficiency of the productive forces of society. Whenever it reaches a point where the shorter day cannot be more than compensated for by the economy of science and machinery, and on the ethical side by greater social improvement, there will be no motive for further reduction. Whether that point will be at eight, or seven, or six, or five hours, nobody can now determine, any more than they can determine that the stopping point of concentrated capital will be at one billion and a half, or two billions, or three billions. The shortening of hours will cease when further reduction would fail to give social or ethical advantages to the community, without lessening the economic efficiency.

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### Proposed Child Labor Legislation in Alabama

Editor GUNTON'S MAGAZINE,

Dear Sir:—In connection with the recent child labor bill proposed in the Alabama legislature, I would like to ask:

(1) Do you think the root of the evil of child labor is attacked by a bill against child labor, or do you think it lies in insufficient wages paid by the factories?

(2) What is your opinion of the effect of the child labor law in New York?

(3) Do you think the Alabama bill will have a like effect?

(4) Do you think there is need at present of a child labor law in Alabama?

(5) What do you think the effect will be on the factories?  
**B. B.**

(1) Yes, the root of the evil of child labor is attacked by restricting the child labor. The evil there does not lie in the insufficiency of the wages paid; on the contrary,



much of the low wage condition is due to the fact of child labor and wife labor. It is a well sustained economic law that the wages of the family are mainly determined by the cost of living of the family. If the cost of living of the average family, or of the 10 per cent. more expensive families in any industrial group, say weavers, spinners, masons, or whomsoever, within the competing market, is \$600 a year, all the economic and social forces will tend towards making the income \$600 a year. If the wife and children can be turned into the factory, or in any other way be made to earn \$200 a year, the man will be content to work for \$400. If the children, either by voluntary paternal effort or by legislation, are compelled to go to school, an increased pressure will be thrown upon the head of the family for an increase equivalent to what the children earned. If it was a hundred dollars a year, a struggle would set in for an increase of wages for the man, and if that should affect a considerable portion of the class, the demand would grow until a strike would be inaugurated, if necessary, to accomplish it.

The income from children in the mills is exactly like the waiters' income from tips; it simply lessens the wage income of those responsible for the standard of the family's living. In many of the very best hotels in New York the wage of waiters is only \$25 a month, most of which has to be expended on laundry. The reason for this is that they get a considerable amount in tips, and they are willing to work for a certain income, and if they can get it in tips the employer takes it out of the wages. If there were no tips in the best hotels, the wages would have to be at least four times as much as they now are; in other words, as the tips increase, the wages diminish, and in places that are inferior, where the tips are smaller, the wages are actually higher. That is just as true of the employment of children, and for exactly the same reason. John Stuart Mill observed it in the case of the Lancashire operatives, and the Massachusetts labor bureau has demonstrated it in the case of the different classes of wage workers in Massachusetts.\*

\* See *Wealth and Progress*, pages 170-74.

(2) The effect is to have more intelligent operatives and permanently higher wages for the adults.

(3) Yes, the Alabama bill, if it prohibits the employment of all children under twelve years of age, will have the same effect; that is, the effect will be in the same direction.

(4) Yes, there is eminent need of a child labor bill in Alabama and every other southern state (and northern state, too) where such a law does not now exist. A law prohibiting the labor of all children under ten, and permitting only half-time employment (with corresponding half-time at school) until sixteen, would be still better.

(5) The effect on the factories would not be injurious in Alabama and the South, any more than it was in England and is now in eastern and other states. It would tend to raise the social standard of the operative class in the South, which is eminently necessary from every point of view. It would tend at the same time to increase the consuming power of the masses, and thus furnish the economic stimulus for a still greater diversification of industries in the South, which is the one thing now most needed, and this would also increase the diversity of economic and political opinion, which would do much both to solve the race problem and break the political monopoly called the "Solid South." There is no immediate danger of the South being outstripped by New England competition, because it has the very best machinery, the factories in the South are newer than in the East, and for some time to come it will have cheaper labor, because a rise in wages can only come by the natural advancement of the wage earners. So there is really no danger whatever of the South being outdone in the competition race in these lines of industry.

## CURRENT COMMENT

### The President's Message

*"Trusts."* "Our aim is not to do away with corporations; on the contrary, these big aggregations are an inevitable development of modern industrialism, and the effort to destroy them would be futile unless accomplished in ways that would work the utmost mischief to the entire body politic. We can do nothing of good in the way of regulating and supervising these corporations until we fix clearly in our minds that we are not attacking the corporations, but endeavoring to do away with any evil in them. We are not hostile to them; we are merely determined that they shall be so handled as to subserve the public good. . . .

"I believe that monopolies, unjust discriminations, which prevent or cripple competition, fraudulent overcapitalization, and other evils in trust organizations and practices which injuriously affect interstate trade can be prevented under the power of the congress to 'regulate commerce with foreign nations and among the several states' through regulations and requirements operating directly upon such commerce, the instrumentalities thereof, and those engaged therein. . . .

*Tariff and "trusts."* "One proposition advocated has been the reduction of the tariff as a means of reaching the evils of the trusts which fall within the category I have described. Not merely would this be wholly ineffective, but the diversion of our efforts in such a direction would mean the abandonment of all intelligent attempt to do away with these evils. Many of the largest corporations, many of those which should certainly be included in any proper scheme of regulation, would not be affected in the slightest degree by a change in the tariff, save as such change interfered with the general prosperity of the country. The only relation of the tariff to big corporations as a whole is that the tariff makes manufacturing profitable, and the tariff remedy proposed would be in effect simply to make



manufactures unprofitable. To remove the tariff as a punitive measure directed against trusts would inevitably result in ruin to the weaker competitors who are struggling against them. Our aim should be not by unwise tariff changes to give foreign products the advantage over domestic products, but by proper regulation to give domestic competition a fair chance; and this end cannot be reached by any tariff changes which would affect unfavorably all domestic competitors, good and bad alike. The question of regulation of the trusts stands apart from the question of tariff revision. . . .

*Reciprocity.* "One way in which the [tariff] readjustment sought can be reached is by reciprocity treaties. It is greatly to be desired that such treaties may be adopted. They can be used to widen our markets and to give a greater field for the activities of our producers on the one hand, and on the other hand to secure in practical shape the lowering of duties when they are no longer needed for protection among our own people, or when the minimum of damage done may be disregarded for the sake of the maximum of good accomplished. . . .

*Tariff Commission.* "If possible, such change [lowering of duties] should be made only after the fullest consideration by practical experts, who should approach the subject from a business standpoint, having in view both the particular interest affected and the commercial well-being of the people as a whole. The machinery for providing such careful investigation can readily be supplied. The executive department has already at its disposal methods of collecting facts and figures; and if the congress desires additional consideration to that which will be given the subject by its own committees, then a commission of business experts can be appointed, whose duty it shall be to recommend action by the congress after a deliberate and scientific examination of the various schedules as they are affected by the changed and changing conditions. The unhurried and unbiased report of this commission would show what changes should be made in the various schedules, and how far these changes

could go without also changing the great prosperity which this country is now enjoying, or upsetting its fixed economic policy. . . .

*Employers and Labor Unions.* "Exactly as business men find that they must often work through corporations, and as it is a constant tendency of these corporations to grow larger, so it is often necessary for laboring men to work in federations, and these have become important factors of modern industrial life. Both kinds of federation, capitalistic and labor, can do much good, and as a necessary corollary they can both do evil. Opposition to each kind of organization should take the form of opposition to whatever is bad in the conduct of any given corporation or union—not of attacks upon corporations as such nor upon unions as such; for some of the most far-reaching beneficent work for our people has been accomplished through both corporations and unions. . . . It is of the highest importance that employer and employe alike should endeavor to appreciate each the viewpoint of the other, and the sure disaster that will come upon both in the long run if either grows to take as habitual an attitude of sour hostility and distrust toward the other. . . .

*Currency Reform.* "Interest rates are a potent factor in business activity, and in order that these rates may be equalized to meet the varying needs of the seasons and of widely separated communities, and to prevent the recurrence of financial stringencies which injuriously affect legitimate business, it is necessary that there should be an element of elasticity in our monetary system. Banks are the natural servants of commerce, and upon them should be placed, as far as practicable, the burden of furnishing and maintaining a circulation adequate to supply the needs of our diversified industries and of our domestic and foreign commerce. . . . All future legislation on the subject should be with the view of encouraging the use of such instrumentalities as will automatically supply every legitimate demand of productive industries and of commerce, not only in the amount but in the character of circulation;

and of making all kinds of money interchangeable, and, at the will of the holder, convertible into the established gold standard."—*Selections from President Roosevelt's second annual message to congress, Dec. 2, 1902.*

President Roosevelt's speeches anticipated his message. . . . But though the speeches had taken off the edge of curiosity they have not dulled the vigor and strength of the message. It is thoroughly characteristic in style, in tone, in ethics and in purpose. It is sinewy, compact, straightforward and sensible. The president does not falter in his position or in his doctrine, but he is temperate and conservative. If anybody expected extreme utterance or radical recommendation he will be disappointed. The president's treatment of questions is prudent, rational and eminently just."—*Philadelphia "Press."*

"We said yesterday that President Roosevelt's contribution to the trust question is valueless, and so it is, for any practical purpose; but we should have said also that his attitude toward the trust is that of ideal and irreproachable justice. The trust is to be punished, not for being a trust, but for what it does wrong, just as a partnership is, or an individual. . . . If there were any prospect that congress would attack the trust problem in this spirit, we might expect some tangible results, but it is to be feared that when you have taken out the corporation agents in congress, the men who exploit the trust for political capital, and those who talk about interstate commerce and currency reform for the sole purpose of diverting attention from the abuses for which the protected trusts utilize the tariff, the number left is an impotent minority. The president will need all his nerve to wrest from this congress an effective law against trust abuses."—*Portland "Oregonian."*

"In point of fact, we find nothing in the message which throws new light upon the president's views or his purposes upon public affairs. He reiterates and emphasizes his opinions upon topics on which he has previously declared himself, but on those to which the people are looking to



him for new light and guidance he is wary of taking position."—*Boston Herald*."

"Interest certainly pricks up at this point of the president's message [currency reform]. Are we actually to have the formulation of a plan for giving the country the much-needed, long-promised and long-denied adequate currency? Alas! The president answers that 'the mere outline of any plan sufficiently comprehensive to meet these requirements would transgress the appropriate limits of this communication.' The pity of it! Congress and the country would have cheerfully submitted to another quarter column of the communication if it gave an outline of a comprehensive plan for a satisfactory elastic currency. Indeed, the plan might have been easily unfolded without adding to the length of the message if some of the incorporated sophomorics had been omitted. It is to be hoped that the president will not carelessly use his plan to light his pipe or wad his gun with."—*Louisville "Courier-Journal"*.

"The message as a whole is one that will be read. It is vigorous in tone, clear in expression, hopeful and buoyant in spirit, and thoroughly American. It possesses the Roosevelt characteristics of being to the point and decisive, and is at the same time temperate, considerate and conservative. It presents a program for the United States which will command the respect, confidence and support of the intelligent masses of the people."—*Des Moines "Register and Leader"*.

"The exordium of the message is eloquent almost to the sophomoric degree, and the man who, however hungry and cold, can read it and not feel prosperous and independent of the beef and coal trusts has a very scant sense of the uses of eloquence. That part of the message must have been written last—while the Thanksgiving chimes were ringing and the aroma of the chestnut-stuffed gobbler was rising from the presidential kitchen.—*Atlanta "Constitution"*."

"What is the use of telling over and over again what would happen if the United States should try to play a small

part in the world? 'Confound it, man,' one feels like saying, 'until now nobody ever dared to talk about the United States playing a small part in the world.' And would this nation have played a smaller part if, in 1898, the administration at Washington had effected the departure of the Spaniards from Cuba by means of peaceful negotiation, instead of by means of a costly war, as John Sherman, of Ohio, the republican secretary of state, insisted to his dying day might easily have been done? As for this endless repetition of the suggestion that the United States can conceivably play a small part in the world's affairs, it might as well be asked what would happen if the sun were to shrivel up and cease shining."—*"Hartford Times."*

"In a president's message the only passages that count are those that hit, and upon the real questions before the country—trusts, tariff, and the disposition of the Philippines—Mr. Roosevelt appears to have used a literary blunderbuss where the people expected he would go gunning with a repeating rifle. . . . The opposition press will find little that it has not thrashed over before to condemn in this document. Its very inconsequence will save it from the hard knocks that would have been visited on a message taking an advanced stand on live political subjects."—*"Chicago Record-Herald."*

"The message is a thoroughly business document—direct and forceful, without any phrase-exploitation or rainbow chasing, and will meet the approbation of the sober common-sense of the American people."—*"Toledo Blade."*

**Tributes to  
Thomas B.  
Reed**

"No time has ever been and no time can ever be, when the closing of life will cease to be its great event. What it means to him who has passed away only revelation or fancy can depict. What, however, it is to him it will also be to all of us. We tread the path with no consciousness of companionship, and yet we know that all the countless generations of the myriad years of the past and of all the years of the future are our sure companions. To us, then, who survive, there

comes a certain tenderness of heart which has never come before. The rival is a rival no longer. His hopes and ambitions have fallen by the wayside. In like manner ours will surely fall. If we have been foes our greatest longing in the first revulsion of feeling is to call oblivion down upon the fierce fights of the past; our first desire is to atone for the selfish greed of power, or money, or place which led to the long and bitter contentions and the cruel enmities now ended forever. . . . If we ever learn to treat the living with the tenderness with which we intuitively treat the dead, we shall then have a civilization well worth distributing."—*From Mr. Reed's essay on Oratory, in "Modern Eloquence."*

"Within this chamber the scene of his life's great activities was laid. Here he rendered services to his country which placed him in the front rank of American statesmanship. Here he exhibited characteristics which compelled respect and won admiration. Forceful ability, intrinsic worth, strength of character, brought him popular fame and congressional leadership. In him depth and breadth of intellect, with a full and well-rounded development, had produced a giant who towered above his fellows and impressed them with his power and his wisdom.

"A distinguished statesman, a lofty patriot, a cultured scholar and incisive writer, a unique orator, an unmatched debater, a master of logic, wit, satire, the most famous of the world's parliamentarians, the great and representative citizen of the American republic has gone into history.

"Resolved, That in honor of the distinguished dead the house now adjourn."—*From resolutions adopted unanimously by the house of representatives, Dec. 8, 1902. Similar action, upon the death of ex-members, has been taken by congress in only three previous cases,—Benton, Stephens, and Blaine.*

"He was a born partisan, but would never stoop in order to conquer; he would not accept a crown if he had to kneel and grope in the dust for it. To all his friends—and they were legion in both parties—he was open, kind, cordial, hospitable, generous and true; but he was not



affable to the crowd of hostiles in public or private. He never concealed his strong likes or dislikes; he was pugnacious and a hard hitter, but he never fired from ambush or used the weapons of uncivilized warfare; and in spite of his superficial infirmities of temper and merciless speech he deserves to be long remembered as a brave, able, patriotic and accomplished party leader and statesman, who leaves behind a great record in all the great things that make up a public man—a stainless name.”—*Portland "Oregonian."*

“Mr. Reed never yielded the right to be president of himself; he never bartered his independence of conviction and action for any office or favor. He was superior to every office he held, and conducted himself in it as the master and not the tool of circumstances. . . . He was not in the habit of proclaiming devotion to God and humanity nor of uttering pious exhortations; he let his service speak for him. From what he believed to be his duty as citizen or public servant, neither blandishments nor threats could swerve him. He did not court public approbation by insincere political acts, nor by cozening the people. From beginning to end of his career he stood on his merits, and scorned to truckle to any mortal for favor. . . .

“Had Mr. Reed been made the republican candidate for president instead of Mr. McKinley, the course of our national history would have been different. Mr. Reed did not believe (to use his own pungent expression) that it was wise for this nation to undertake exporting canned liberty to the barbarian world. He believed that our duty, as well as our privilege, was to mind our own business, as long as we were not attacked, rather than to go abroad hunting quarrels. Entertaining such opinions, he was out of sympathy with the policy which speculative business and military interests forced upon the unstable McKinley against his own judgment. Thomas B. Reed was a man of another fibre. . . . He took no active part in politics afterward, nor did he exhibit any regret that he was no longer in the eye of the public. But he was not for-

gotten, nor had the stature of his real greatness been diminished in comparison with newer candidates for public admiration."—*"Boston Herald."*

"Thomas B. Reed was, intellectually, the greatest man in our public life so long as he remained in it, and, out of it, he still towered over all his contemporaries. He was in reality not a politician. When it came to gaining support in a contest for a presidential nomination by making his adherents feel that personal advantage would be gained thereby, he was no match for the suave Ohio politician who took the republican nomination away from him in 1896 as easily as he had taken the prize of the speakership away from the Ohio man at the beginning of the fifty-first congress in 1889. Mr. McKinley was not unfortunate in that failure, for he thereby gained the opportunity, as chairman of the ways and means committee, to identify himself with the high tariff cause, but in the important debate which preceded the passage by the house of the tariff act of 1890 the speaker left the chair and delivered the ablest and most philosophic defence and justification of the protective policy that has ever been uttered in congress."\*—*"Hartford Times."*

"Mr. Reed was a clean man and a true type of the American statesman. He rang true on questions of private and public honor, and his big heart in a big body was incapable of meanness. He fought for his causes, political or legal, with the vim of a Richard of the Lion-Heart and the courtesy of a Bayard."—*Atlanta "Constitution."*

"The death of such a man at a time when he had apparently reached the height of his powers, and hence the period of his greatest usefulness, could not be regarded in any other light than as a great national bereavement. Thomas Brackett Reed was fashioned by nature in heroic mold, he was endowed with intellectual capacity that came up to the full measure of his stalwart frame. He was big in every sense of the word."—*"Chicago Record-Herald."*

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\*The occasion upon which Mr. Reed delivered his really greatest and epoch-marking speech on the tariff question was in closing the debate on the Wilson bill, Feb. 1, 1894.—ED.

"Like Webster, Clay, and Blaine, Mr. Reed until his retirement was a much more conspicuous figure than most of those who have become presidents and had much more reason to consider himself entitled to the presidency, but . . . his position was always enviable, and his fame as a statesman and parliamentary tactician is secure, even if his failure to attach to his fortunes an enthusiastic following may have led a good many persons to underestimate his ability as a politician. The presidency would have yielded him little to compensate for its responsibilities, and it is probable that his life was not in the least darkened by the knowledge that he will keep company with Webster, Clay, and Blaine as unrequited statesmen."—*St. Paul "Pioneer-Press."*

"He had taken leave of public station and there was little chance that he would have returned to it, but his influence was still considerable, and it was, as it had always been, conservative and wholesome. A simple, pure, faithful and gifted man is gone and leaves a place vacant which it will be hard to fill."—*"New York Times."*

"No fallacy ever escaped his withering exposure. No deceit or humbug could evade his thrust. Whether he created; whether he originated; whether he ever successfully conducted an important propaganda or has left a vivid impress upon our national evolution—these are questions we do not undertake to answer at this time. But that he loved his country, its dignity and honor; that he was a pure-minded patriot who never soiled his hands with any sordid or ignoble stain—all this we know, and for this we honor and revere his memory."—*"Washington Post."*

"Yet, after the public settled down to think about what Speaker Reed had done as distinct from what his critics said he had done, it soon reached the conclusion that his rulings were but the expositions contemplated by the constitutional mandate that the majority which must be responsible shall legislate. Thenceforward it put the speaker among the possessors of that rare intellect which Macaulay describes as seeing through a cloud of sophistries



and contradictory precedents straight to the heart of things. Such intellects can untie as well as cut the Gordian knots of legislation."—*Boston "Transcript."*

"Brave to the last degree—the courage of self-possession—the courage of endurance—the sublime patience of the man who knows that he can always fight and is not in the least afraid that his fight will get away from him—he carried in his heart a God-like peace, a broad, generous toleration, a fine, beautiful instinct of humanity. . . . He was a dozen presidents in himself. He scorned the gaudy trappings. He disdained the vulgar insignia. He could stand his ground against a myriad of bullies, . . . but he could not get down to the self-abasement of putting the presidency of the United States into the category of a commodity to be dickered for. . . . A czar but not a hypocrite: incapable of double-dealing or double-seeming. . . . The unbought advocate of the many; the natural friend of the lowly and the poor who 'letteth not his right hand know what his left hand doeth.'"—*Louisville "Courier-Journal."*

"Here was a man who mastered the art of government of the people, for the people, and by the people. He rose by native strength from humble origin to positions that at times, under changing circumstances of politics, disclosed him the most conspicuous figure in our people's thought. He made his way, as it is our national ideal one should make his way, by means of the eternal stepping-stones of integrity, honesty, justice, unselfishness, and the desire for service. He trusted himself and the revelations of truth that responded to his importunity. He was a natural leader of men because he first controlled his own life."—*From funeral sermon by Rev. John Carroll Perkins, in First Unitarian Church, Portland, Me.*

**What About  
a Tariff  
Commission?\***

"The arrangement of tariff rates and schedules is or should be a distinctively scientific work. . . . Rates of wages, cost of liv-

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\*See section on this subject quoted from the president's message, in preceding pages.

ing, prices of material, the state of trade and corresponding conditions in competitive lands are among the factors in the problem. It is reasonable to suppose that these factors can be dealt with and an accurate solution can be reached by a commission of experts, sitting at convenient times and places, better than by members of congress sitting at such times as can be spared from the multiplicity of other legislative duties. The hearings before ways and means and finance committees at Washington have often been literally farcical. . . . The result should be more satisfactory than the procedure without a commission, for it will surely save congress much time which is urgently needed for other work, and it will give to congress an authoritative basis for action such as cannot be altogether ignored."—*New York Tribune*.

"There is one conclusive reason why the leaders in those committees do not want a tariff commission to investigate the facts. They do not want the light thrown on the solecisms and the anomalies of tariff schedules which have become obsolete with the industrial progress of the country. That is probably the real reason why they oppose the tariff commission. And that is precisely the reason why the country needs and wants the tariff commission. . . . Congress is constantly relying on the investigations of such commissions or of individual experts for the information which forms the basis of its legislation, and it is absurd to pretend that the researches of such a body would be of no use as a help or guide to legislation."—*St. Paul "Pioneer-Press"*.

"It would be known in advance that congress would pay no more attention to the 'recommendations' of the commission than it pays to the winds which whistle about the dome of the capitol. . . . It would not be merely a farce; it would be disastrous. From the moment it was resolved to appoint such a commission every business interest in the country would take alarm, for it would be known that we had entered upon a long period of tariff agitation, whose outcome as to any particular interest could

not be even guessed at. There would be intrigues to learn in advance and modify the 'recommendations' of the commission, and when that was through the whole fight would be transferred to congress. We had one such commission a few years ago, and the country never wants another. The place to discuss revenue matters is in the open forum of the house of representatives and senate, as contemplated by the constitution."—"*San Francisco Chronicle*."

"The trouble with a commission such as the president would have is that it would be merely an advisory body, with final action left to congress, just as it is now. If congress could be depended upon to accept advice from a body of experts, and pay any heed to it such as it deserved, then the tariff commission plan presents itself in some favorable light. But can congress be thus depended on? What was the experience in 1883? A commission went over the whole ground and recommended considerable changes in the way of tariff reduction. Congress took up the report, while the protected interests swarmed into the lobbies with a power and influence which proved overwhelming. The revision that actually followed thus amounted practically to nothing in the way of tariff reduction, and the country voted the whole affair a farce—and that it was."—"*Springfield Republican*."

"Senator Dolliver once illustrated the tariff situation by saying that there is good sailing above Niagara Falls and good sailing below, but that going from one to the other is attended with a great deal of danger. Business will accommodate itself to any policy, and to such moderate changes as varying conditions demand. But when, as between 1890 and 1897, the country had three complete tariff revisions, made by men who could not possibly acquaint themselves with all the bearings of their own actions, it is not an exaggeration to say with Mr. North that 'war, pestilence and famine are no greater blight.' A non-partisan tariff commission, with at least some power to act, would remove the whole matter from politics, would not be likely to invite a storm of protest by radical action, would adjust



duties to the needs of the government and the actual purposes of protection, and seems to be in every way a desirable if not at present an attainable addition to our governmental machinery."—*Des Moines "Register and Leader."*

**Future of the  
Democratic  
Party**

"It seems to me that if the democracy is really in earnest it cannot fail largely to increase its representation in the next congress, but in order to do so I think that there must be a constant and stalwart insistence upon the things which are recognized by all to be true democratic doctrines. Of course, by far the most important of these is tariff reform. On this issue, I am satisfied that the democracy is face to face with a great opportunity. All of the signs of the times point to a recognition, far beyond all party lines, of the benefits which would accrue to the people by a readjustment of the tariff, and it would be worse than folly for the party, under the stress of any temptation or yielding to any allurements, to permit this to be subordinated to or overshadowed by any other issue. . . .

"It is my clear conviction that the best assurance of success for the democracy in the next national campaign will be found in a sincere and unrelenting insistence upon its old-time doctrine of a fair and beneficent tariff adjustment. This insistence should be from now on. It need hardly be said that success will depend upon the presentation of tariff doctrine, not only recognized as truly democratic by those who may be termed veterans in the party, but also commending itself to the hosts of the younger men of our land. Thousands of these await the opportunity to espouse a cause which must appeal to disinterested love of country, and which is based upon thoughtful regard for all our people and the safety of the institutions under which we live. To these young men no hope is offered for the realization of their patriotic aspirations except through the conscientious endeavors of the democratic party."—*Ex-President Cleveland in New York "Evening Post."*

"The opposition party of the day must either become

an imitator of the whig party in relation to this question or it must stand for a deep-reaching treatment of the matter after the manner of the republican party of 1856. It will imitate the whigs if it contents itself merely with proposing tariff reduction as an adequate or satisfactory protection against monopoly and privilege; and it will invite the fate of the whig party. The popular temper and demand indicate that it must present a more comprehensive and radical program of trust regulation and public control of public service monopoly or it will be forced to give way to a party which will. That party will not be the socialist party in the full sweep of its present cooperative demands, but it will be a party advocating strong tentative steps in the direction of public management of monopoly. There seems to be a greater chance that the democratic party will be radicalized than that it will break up into the building of a new party—though its present chaotic condition may seem to promise a repetition of the political experience of 1852-'56.”—*“Springfield Republican.”*

“When men like Hill, who have always posed as champions of conservatism, go over to socialism and advocate government ownership of the coal mines, a long step is taken toward putting the party machinery at the service of the new radicalism. If such doctrines spread, we shall probably see on the one side a republican party standing for the maintenance of the constitution, with its balance between state and national governments, and for the protection of individuality. On the other, we shall have the democratic party advocating public management of industries and seeking to concentrate power over the private and business lives of citizens not in the state, but in the federal government. If, indeed, our next political struggle is to be over the transformation of our federal republic into a consolidated socialistic empire, either quickly or by slow stages, the democracy would thus find a definite function. But it would depart from its traditions and alienate all who

in former days supported it on principle.”—*New York Tribune*.”

“The money standard of the country is no longer an issue. Whether settled rightly, or wrongly, it is settled, for the present, at least. The safe and sensible democratic policy is to say nothing on the money question until it has something to say that will meet national necessities and answer to a popular demand. . . .

“The question of the relation of the tariff to the trusts cannot be longer ignored. It must be faced and the facts dealt with in the open view and hearing of the whole country. The issue on this paramount policy of protection for protection’s sake and trust-breeding for public plunder cannot be avoided by the republicans, and it is the issue upon which the democrats, even as a minority party, can join battle with them and stand the surest chance of winning a national victory in 1904.”—*Atlanta Constitution*.”

“Whether the radicalism of the democratic party of the near future will take the form of socialism is more of a question. The party is infected with the theories of money inflation, and expansion of the currency is a more popular and more readily comprehended reform than public ownership of monopolies. It is still likely to be the leading issue in one great national campaign. But public ownership will be a feature of the program, and the final defeat of unsound money may leave the party, where W. R. Hearst and others like him are insisting it shall be, the party of modified socialism in the United States.”—*Des Moines Register and Leader*.”

“Evidently the party is more compact, coherent, and homogeneous than at any time during the past ten years. Surely the real leaders now understand the nature of the problem that will confront them two years hence. They have only to discard the schisms that have crept into their philosophy, along with the demagogues and charlatans who introduced them. A return to the true principles and policies of democracy and a dignified but resolute repudiation of all disreputable catch-penny alliances will give them a



powerful claim upon the respect and confidence of the country."—*Washington Post*."

"With a practical certainty of no improvement in republican policy, the democratic party has also the certainty that its accessions in the last campaign are of a substantial and permanent character. They came from principle, and the considerations that brought them will remain and grow stronger. On the other hand, its losses were due to ephemeral considerations, and were chiefly of a kind that do no real injury to a party. The man who sells his vote is no loss except in numeration. On the contrast of character of gains and losses, the party is in far better condition for the future than it was when he entered the campaign."—*Indianapolis Sentinel*."

"The democratic party has a clear field before it for 1904. In Mr. Gorman, at least, it has one national leader of surpassing wisdom and experience, a democrat from the crown of his head to the soles of his feet. He will presently resume his place in the counsels of the nation. His word should pass for much with every thinking democrat. He is not only a wise man. He is an upright, courageous man, worth a dozen Hills, or a thousand Clevelands. For the time being, at least, let us rally about Gorman, for whether he leads us to victory or defeat, he will not lead us astray."—*Louisville "Courier-Journal"*."

"All over the East combinations have been made between the democrats and labor unions. . . . It was in order to take advantage of this growing sentiment of unrest among the laboring classes that Senator Hill, at the democratic state convention in Saratoga, inserted in the platform his grotesque plank for the government ownership of the anthracite coal-fields. . . . Once more the masses are being arrayed against the classes. This is one of the pregnant signs of the times. It would seem to foreshadow a great coalition in 1904 between the democratic party and the socialistic and labor element. It would be a coalition in some respects similar to that in which the democratic national committee entered in 1892, when the populists and

democrats combined in half a dozen states in a fusion on presidential electors, the result being that the populist element of the party ran away with the organization four years later at Chicago and nominated William J. Bryan on a platform more populist than democratic."—*"New York Herald."*

"The democratic party does not need leaders so much as it needs voters. The masses do not need any one to think for them; they think for themselves and they will have no difficulty in selecting fit persons to act for them when the time for action arrives. They do not need the services of a self-appointed committee on nominations, and they will not award the position of standard-bearer to the highest bidder. They are glad to hear all that can be said for and against each presidential possibility, but they are not apt to be influenced by advisers who think more of a candidate's availability during a campaign than they do of his reliability in office.

"The democrats who know why they are democrats will see to it, first, that the democratic party stands for democratic principles and applies them to every question before the people, and, second, that the candidates are sound on those principles and will stand by them both before and after the election."—*W. J. Bryan in "The Commoner."*

**Venezuela and  
the Monroe  
Doctrine**

"Our government is not responsible for the recent civil disorder in Venezuela, nor for its debts. We do not interfere with the internal affairs of the republics of South America, or attempt to screen them from the consequences of their failure to pay their public debts. We simply say that there must be no extension of European power on this continent. When Napoleon III violated the Monroe doctrine by his invasion of Mexico, in 1863-4, we ordered him out, and he obeyed as soon as victory set our armies free to enforce our will. We cannot under the Monroe doctrine interfere with Great Britain and Germany in their efforts to make Venezuela pay her debts, but if Great Britain or Germany attempted

to appropriate the territory of Venezuela, we should promptly interfere."—*Portland "Oregonian."*

"In the United States the builders of speculative railroads simply lose their money. If a 'state' has guaranteed anything it makes good its guaranty or not, as it pleases. No attempt at coercion would be tolerated. If a South American country defaults, European governments send war ships to force collection. They do it because they dare to. They do not do it against a state of our Union because they do not dare. They are entitled to no sympathy in their attempt. If Venezuela is insolvent, let her be treated as such. To forcibly wrench the money from Venezuelan taxpayers by warships is justified by precedent and by the practice of predatory nations, but it is nevertheless outrageous and indecent. It stamps those engaged in it as still barbarians."—*"San Francisco Chronicle."*

"However much in the whole controversy Venezuela may be in the wrong, it must be remembered as a matter of law and justice that even the worst offender has rights which should and indeed must be respected, and it should also be remembered as a matter of policy that wanton exasperation does not conduce to the settlement of a dispute. . . . In these last few days there has been an increasing contrast between the Venezuelan government and the conduct of representatives of the two coercing powers not altogether to the advantage of the latter. . . . In such circumstances it would not be beneath the dignity of Great Britain and Germany to consider even at this late day the proposal of arbitration."—*"New York Tribune."*

"Some day we shall probably have to fight for this same Monroe doctrine. The country is practically unanimous on the subject and is likely to remain so, despite the imbecile, corrupt and revolutionary propensities of the South Americans. We are considering our own interests and safety, not theirs. It is a well-accepted principle of international law that every nation has a perfect right to fight against a threatened danger. We could not submit to the



establishment of a hostile empire at our very door."—*Louisville "Courier-Journal."*

"It seems plain that the temporary occupation of a portion of that territory for the purpose of enforcing the joint demands of Great Britain and Germany against Venezuela could not reasonably be objected to by this government. It would certainly be a stretch of language to call any such movement the first step in a scheme of 'colonization.' . . . The administration at Washington has given its assent in advance practically to every step which has so far been taken by the British and German commanders, except the apparently unwarrantable one of sinking some of the Venezuelan ships of war. . . . So far, then, there is no reason to apprehend the slightest infraction of the doctrine, and there is every reason for the American public to maintain an attitude of perfect coolness in presence of the somewhat forcible disciplinary methods now being applied to Venezuela."—*New York "Journal of Commerce."*

"Our government lets this Venezuela imbroglio alone because it feels that, as far as it affects our safety or well-being as a nation, we have no interest in it. And yet, it seems to us, that, remembering that we were ready to protect Venezuelan territory seven or eight years ago, even at the cost of going to war with Great Britain, we might at least have a sympathy now for the feeble people who inhabit it and are being crowded down to the extent of being only less than crushed out in their place among the nations. It would be a graceful act on our part to ask for forbearance toward them, and we are inclined to expect it on the part of the United States authorities."—*"Boston Herald."*

"The differences between Venezuela and Great Britain and Germany should be submitted to arbitration. Upon that plan the United States could well afford to insist. If an appeal to force is persisted in the result must be an abandonment of the Monroe doctrine, in the event that the British-German alliance is resisted and destroys the present Venezuelan government. Whatever may be the merits

of the British-German claims they may well be submitted to arbitration, and these two great powers would have nothing to lose by cheerfully consenting to that civilized plan of settling difficulties. During the last Venezuelan incident Mr. Olney, then secretary of state, took the position that because of the disparity in the strength of Great Britain and that of Venezuela, arbitration was the proper course. Now that the strength of Germany is added to that of Great Britain the disparity is the more marked and the necessity for arbitration therefore more pressing."—*W. J. Bryan in "The Commoner."*

"It is difficult to see how the United States government can maintain its neutrality, even in the present stage of the Venezuelan imbroglio. The Monroe doctrine is threatened, and however disreputable Castro's pocket borough may be in the estimation of the rest of the world, it is not to be overrun by European soldiery and reduced to a condition of vassalage to European powers, because of monetary delinquency, without justly claiming the protection of that time-honored and prudent doctrine. A Latin-American alliance to back Venezuela would soon make the great North American republic show its hand."—*Atlanta "Constitution."*

**"American  
Commercial  
Expansion"**

"The United States is the only great power separated from the British empire by nothing but a land frontier, and it is the settled object of the United States ultimately to include Canada. The United States is commercially growing fast at our expense, and, judging from its present progress, the power of the United States in wealth and numbers will soon exceed that of any rival we have, possibly excepting Russia, whose position in relation to us territorially is not nearly so critical. Under these circumstances it is surely clear that the power we need be most concerned about is America. Acute territorial and commercial rivalry always results in an ultimate trial by force. It is the only final settlement. . . . There is no question of liking or disliking the Americans.

It is simply a question of which shall ultimately get the better of the other side. The controlling factors make it impossible to put the position of the two countries in any other way."—*"Saturday Review," London.*

"The great prosperity of the United States during the past five or six years has really been as much of a blessing to the foreigner as it has been to our own people. Despite the foolish advice given by some enthusiastic adherents to the idea that the only valuable trade is foreign trade, our manufacturers have during this period devoted themselves to supplying an imperative domestic demand. Let us hope that they will be under such compulsion for a long time to come. The home trade is the really profitable trade, as experience has already demonstrated. Silly people may delude themselves with the idea that the volume of exports is the true index of prosperity; sensible men know that the ability to consume determines the matter."—*"San Francisco Chronicle."*

"Production of pig iron in the United States, United Kingdom, Germany and all other countries, in thousands of gross tons:

"Year.	United States. 1,000 tons.	United Kingdom. 1,000 tons.	Germany. 1,000 tons.	All other countries. 1,000 tons.
1865.....	832	4,819	760	2,839
1870.....	1,668	5,964	1,369	2,902
1875.....	2,024	6,365	1,997	3,510
1880.....	3,835	7,749	2,686	3,201
1885.....	4,045	7,415	3,629	4,439
1890.....	9,203	7,904	4,585	5,738
1895.....	9,446	7,703	5,379	6,376
1900.....	13,789	8,960	8,386	9,265
1901.....	*15,878	7,750	*7,737	9,042"

"The demonstrable truth, as it seems to me, is that Great Britain's commercial loss is a relative one, as compared, for example, with the recent commercial gains of the United States and of Germany, and that her own progress

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\*"Iron and Steel Association figures."—*"Commercial Intelligence," London.*



in wealth and in commercial strength is an absolute one, as measured by the increase in the assessment for the income-tax, and the sums passing through the clearing-house, and the amount of paid-up capital in stock companies, and the tonnage in steam-shipping, and the volume of business of cotton factories, and the output of coal mines, and the production of pig iron, and the deposits of savings banks, and the capital of cooperative societies, and the funds of trades-unions, and even the income from foreign and colonial investments. These are matters which are reducible to statements in the terms of the coin of the realm."—*Walter A. Wyckoff*, in "*Among London Wage Earners*," *Scribner's Magazine* (Oct.).

"We are still ahead of either country [Germany and the United States] in our power of manufacture for export, but, beginning from a lower level, each country is traveling upward more rapidly than we are who occupy a higher eminence. If peace is maintained both Germany and the United States are certain to increase their rate of upward movement. Their competition with us in neutral markets, and even in our home markets, will probably, unless we ourselves are active, become increasingly serious. Every year will add to their acquired capital and skill, and they will have larger and larger additions to their population to draw upon. It is necessary, therefore, more than ever, that the change of conditions should be recognized, and we can scarcely expect to maintain our past undoubted preeminence, at any rate without strenuous effort and careful and energetic improvement in method."—*Sir Alfred E. Bateman*, in recent blue book on industrial and commercial conditions in Great Britain and other countries. Published by the English government.

"Mr. Carnegie maintained that it was a physical impossibility for Great Britain to produce material things rivalling in amount those of countries the size of America, Germany and Russia, nor would a union of the empire change the situation, for 'neither Canada nor Australia give promise of much increase in population or industrialism.

All thought of material ascendancy even with the British empire united must, therefore, be abandoned.'

"Mr. Carnegie spared his Scotch audience no details. 'America,' he said, 'now makes more steel than all the rest of the world. In iron and coal her production is greatest, and it is also so in textiles. She produces three-quarters of the world's cotton. The value of her manufactures is about triple that of your own. Her exports are greater and the clearing house exchanges at New York are almost double those of London.' . . . He emphasized the assertion that the most powerful weapon in conquering foreign markets is a profitable home market. 'Invasions of Europe, especially of Great Britain, by American manufacturers, are not to be apprehended to any considerable extent, except at rare intervals,' because the home market in America took 96 per cent. of the manufactured articles, hence her prosperity. 'Foreign commerce is a braggart always in evidence at home. Commerce is the true king.'"—*From press dispatch report of address of Andrew Carnegie at St. Andrew's University, Scotland, Oct. 22.*

**Current  
Price  
Comparisons**

The following are the latest wholesale price quotations, showing comparison with previous dates:

	Dec. 21, 1901	Nov. 21, 1902	Dec. 12, 1902
Flour, Minn. patent (bbl. 196 lbs.)	\$3.85	\$4.00	\$4.10
Wheat, No. 2 red (bushel) . . . .	87½	77½	79½
Corn, No. 2 mixed (bushel) . . .	71½	65½	64
Oats, No. 2 mixed (bushel) . . .	50½	36	37½
Pork, mess (bbl., 200 lbs.) . . . .	16.75	18.00	18.00
Beef, hams (bbl., 200 lbs.) . . . .	19.50	21.50	21.00
Coffee, Rio No. 7 (lb.) . . . . .	6½	5½	5½
Sugar, granulated (lb.) . . . . .	4 <sup>9</sup> / <sub>16</sub>	4 <sup>8.5</sup> / <sub>16</sub>	4 <sup>9.5</sup> / <sub>16</sub>
Butter, creamery, extra (lb.) . . .	25	28	30
Cheese, State f. c., small fancy (lb.)	10 <sup>5</sup> / <sub>4</sub>	13	13½
Cotton, middling upland (lb.) . .	8 <sup>9</sup> / <sub>16</sub>	8 <sup>5</sup> / <sub>16</sub>	8 <sup>5.5</sup> / <sub>16</sub>
Print. cloths (yard) . . . . .	3	3	3
Petroleum, refined, in bbls. (gal.)	7 <sup>8</sup> / <sub>16</sub>	7 <sup>8</sup> / <sub>16</sub>	8 <sup>8</sup> / <sub>16</sub>
Hides, native steers (lb.) . . . .	13½	14	14

	Dec. 21, 1901	Nov. 21, 1902	Dec. 12, 1902
Leather, hemlock (lb.) . . . . .	24½	24½	24½
Iron, No. 1 North, foundry (ton 2000 lbs.) . . . . .	16.00	23.00	23.00
Iron, No. 1 South, foundry (ton 2000 lbs.) . . . . .	15.00	22.00	22.00
Tin, Straits (100 lbs.) . . . . .	22.50	25.15	25.45
Copper, Lake ingot (100 lbs.) . .	13.00	11.60	11.65
Lead, domestic (100 lbs.) . . . .	4.00	4.12½	4.12½
Tinplate, 100 lbs., I. C., 14x20. .	4.40	4.35	3.95
Steel rails (ton 2000 lbs.) . . . .	28.00	28.00	28.00
Wire nails (Pittsburg), (keg 100 lbs.) . . . . .	2.15	1.90	1.90
Steers, prime, Chicago (100 lbs.)	—	6.27	6.10
Fine silver, per ounce . . . . .	—	48 <sup>7</sup> / <sub>8</sub>	47 <sup>7</sup> / <sub>8</sub>
Bullion value silver dollar . . .	—	37 <sup>8</sup> / <sub>10</sub>	37
Ratio, gold to silver . . . . .	—	1-42 <sup>8</sup> / <sub>10</sub>	1-43 <sup>8</sup> / <sub>10</sub>

*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities, averaged according to importance in per capita consumption, for December 1 and comparison with previous dates, as follows:

	Dec. 1, 1899	Dec. 1, 1900	Dec. 1, 1901	Nov. 1, 1902	Dec. 1, 1902
Breadstuffs. . . . .	\$12.990	\$13.843	\$19.528	\$17.564	\$17.499
Meats . . . . .	7.984	8.269	9.259	10.020	9.935
Dairy and garden . . . . .	12.782	13.887	15.675	13.408	14.656
Other food . . . . .	9.076	9.544	9.081	8.868	8.913
Clothing . . . . .	17.314	15.744	15.331	15.785	15.781
Metals. . . . .	18.053	15.235	15.722	17.383	17.178
Miscellaneous . . . . .	16.232	15.872	16.782	16.551	16.537
Total . . . . .	\$94.431	\$92.394	\$101.378	\$99.579	\$100.449

The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*, as follows:

	Dec. 31, 1901	Nov. 21, 1902	Dec. 12, 1902
Average, 60 railway . . . . .	102.99	105.44	103.03
" 10 industrial . . . . .	63.45	60.27	57.48
" 5 city traction, etc . . . . .	137.37	133.20	130.45



English prices of staple commodities, as given by the *London Economist*, are as follows:

	Dec. 6, 1901			Nov. 7, 1902			Dec. 5, 1902		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
Steel rails (long ton, 2,240 lbs.) . .	5	10	0	5	10.	0	5	10	0
Scotch pig iron (long ton, 2,240 lbs.)	2	16	0	2	17	0	2	14	4
Copper ( " " )	55	0	0	52	1	3	50	13	9
Tin, Straits ( " " )	112	15	0	117	7	6	114	2	6
Lead, English pig ( " " )	11	8	9	10	16	3	10	18	9
Cotton, middling upland (lb.) . .	0	0	4½	0	0	4½ <sup>5/8</sup>	0	0	3½ <sup>7/8</sup> *
Petroleum (gallon) . . . . .	0	0	6½ <sup>3/8</sup>	0	0	5½ <sup>5/8</sup>	0	0	5½ <sup>9/8</sup>

(American equivalents of English money: pound — \$4.866; shilling — 24.3 cents; penny — 2.03 cents.)

Prices of certain significant stocks on the New York stock exchange, showing range during the year, as given by *Bradstreet's*, and the asking prices of certain other stocks, as furnished by the *New York Tribune*, are as follows:

	Closing Prices		Range during	
	Nov. 21, 1902	Dec. 11, 1902	Highest	Lowest
Amer. Beet Sugar (com.) . . . . .	—	—	30	30
Amer. Sugar Ref. (com.) . . . . .	120½	120½	135½	113
Amer. Tobacco (pref.) . . . . .	—	—	151½	140
Cont. Tobacco (pref.) . . . . .	118½	116	126½	114
Gt. Northern Ry. (pref.) . . . . .	186	190	202½	181½
International Paper (pref.) . . . . .	—	72¾	77½	70½
N. Y. Central R. R. . . . .	154½	151½	168¾	147
Pennsylvania R. R. . . . .	157½	153	170	147
Ph. & Read. R. R. (1st pf.) . . . . .	86	84	90½	79½
Southern Pacific Ry. . . . .	65½	59½	81	56
U. S. Rubber (pref.) . . . . .	—	50½	63½	49½
U. S. Steel (com.) . . . . .	37½	32	46½	29½
" " (pref.) . . . . .	84½	81½	97½	79
Western Union Tel. . . . .	89½	87½	97½	84½
	Asking Prices			
	Nov. 21, 1902	Dec. 12, 1902		
North. Securities Co. . . . .	107½	109½		
Standard Oil Co. . . . .	665	665		
Swift & Co. . . . .	165½	122		
U. S. Shipbuilding (pref.) . . . . .	58	58		

\* "Good western."

† Oct. 20, 1902.

## BOOK REVIEWS

THE THEORY OF PROSPERITY. By Simon N. Patten, Ph.D. Cloth, 237 pp. \$1.25. The Macmillan Company, New York.

From the title of this book, one would naturally expect to find a discussion of the conditions, influences and policies which make for business prosperity; but the reader who takes it up with any such expectation will be doomed to sore disappointment. It is not a contribution to useful knowledge or clearer understanding of the forces which promote business prosperity, but on the contrary is a dissertation on metaphysical economics, much of which tends to befog rather than clarify the subject.

Professor Patten begins by criticizing all previous efforts at discussing wages, rent, interest and profit, and then proceeds to introduce some new definitions which are less related to practical experience than those he rejects. He accepts entirely the unclear, partially true and wholly unhelpful theory of "final utility" as an explanation of prices and wages. The adherents of this doctrine are always having great difficulty in getting rid of the cost of production theory because it so obviously relates to the facts in experience. But to cut this knot Professor Patten introduces a new definition of cost. He defines cost, not as expenditure, but as pain, and argues that if production could be conducted without painful effort, production would be costless. He tells us (p. 21) that:

"Every healthy person starts the day with a fund of surplus energy, the expenditure of which is pleasing, and makes work pleasurable while it lasts. Each one can produce a number of goods without any cost, and these goods when consumed create a fund of surplus energy by which the next day's work can be carried on. It would seem possible therefore to live and work without pain. Men, through the expenditure of energy, would replace the articles they withdraw from the common stock for consumption, and would take freely what they wanted without reducing the supply of goods so much that they would have a value.

Goods would thus be free as the water in a brook or as the free goods produced by nature without the aid of man."

According to this, if we could only have the surroundings of the workshop pleasant enough, and the workday short enough so that the laborer quit whenever the work became irksome, goods would be as free as air and water. Such a statement might have been expected in Bellamy's "Looking Backward," but it is disappointing in a serious work by Professor Patten. This definition of cost is purely fanciful; it has no real relation to experience. Cost, as related to the production of wealth and its value as expressed in exchange, is the expenditure involved in furnishing it. The expenditure is just as much cost, whether the labor expended is pleasurable or painful. It costs many times as much for a mechanic to devote ten hours' labor to production now as it did centuries ago, and many times as much in this country as it does in Asia; but the painful exertion is lessened; the surroundings, the tools employed, the relation of the laborer to the employer, and all the environments of the modern mechanic are more pleasurable, and his day's work is less irksome, in the sense of giving depressing pain, than when he was a mere drudge or slave, and yet the cost of his day's work is many times greater. Why? Because he consumes more products by a day's living which is necessary to furnish his day's labor.

On page 25 Professor Patten says:

"Each bushel of wheat or pound of cotton would mean a certain amount of effort expended, and the value of the product would be equal to the pain of his effort, and the accompanying loss of time."

This does not state the facts as they actually take place in life. The pain, *per se*, by which of course he means "disagreeable" experience, has practically no bearing on the value of a bushel of wheat or a pound of cotton. The fact which really influences this equation is the relative cost or expense of the things consumed in furnishing the wheat and cotton, regardless of whether the labor of procuring these goods was pleasant or painful. With a logical mind like



Professor Patten's, it easily follows that from such faulty or fanciful definitions unclear and unhelpful, if not erroneous, conclusions are sure to be reached, and such is indeed the case. On page 46 he tells us that:

"The rate of wages may, however, be protected by the advantages of the strong as well as by the costs of the weak. Free laborers have a choice of occupations. To secure them in one industry, a wage must be offered equal to what they can get elsewhere. If no employer will give them this alternative, they can work for themselves. Under these conditions, wages are fixed by the option which exists of entering some other occupation."

This also is an assumption that does not hold true in experience; in practice laborers do not have any such free choice of occupations, nor is it true that the rate of wages is kept at its present standard by the fact that "if no employer will give them this alternative, they can work for themselves." Ninety per cent. of the wage workers today could not work for themselves, and if that was their only alternative their wages might easily be pressed down fifty per cent. It would be impossible for weavers, spinners, carpenters, shoemakers and printers to work for themselves; that opportunity disappeared with the advent of machinery and modern methods. Wages are kept up by no such devices or tendency even, for the tendency to change industry is so slow as to be wholly imperceptible. Weavers, carpenters, masons, plumbers and printers have practically no choice of occupations; they only have the choice of employers in the same occupations. The weaver could not become a carpenter, nor the carpenter a weaver, nor the printer a plumber or a painter. Each has become an accomplished workman in his own craft by having practically devoted his life to it; he knows nothing else and could not be transferred to another industry without too great a sacrifice to be endured. All the influences which make up tradition are against any such transfer, so that it is well-nigh impossible. The children of these different mechanics may go into other industries according as opportunity offers, but the accomplished workmen—almost never.

Any theory, therefore, which bases the rate of wages on the laborer's freedom or ability to choose occupations and transfer himself from one craft to another is essentially mistaken, and has no practical bearing on present-day conditions. The real force that keeps up wages in any industrial group is the social influence of the necessities of living, which, of course, varies according to the social advancement of the laborers. This, coupled with their very refusal to go to other industries, and their insistence upon acting *en masse* and so blocking the industry until their demands are acquiesced in, becomes the irresistible force to which employers are compelled to yield. If it were true that the cost of living and social necessities exercised no influence, and that laborers fixed the rate of wages by their transfer from one industry to another, wages would find an approximately common level in all industries. As a matter of fact, there is no such tendency. The only tendency to wage uniformity is within the economic groups, where a practically uniform standard of living and social expensiveness prevails. For the same kind of mechanics, regardless of skill, wages differ very greatly in different localities and different countries.

In the third chapter of Part II., and last chapter in the book, under the head of "Income as Modified by Economic Rights," Professor Patten discusses a long list of rights to be vouchsafed to the laborers. Among these are: "The right to a home," "right to wholesome standards," "right to homogeneity of population," "right to decision by public opinion," "right to comfort," to leisure, to recreation, to cleanliness, "right of women to income," etc. Most of these rights are matters involving increased expense, or at least a certain standard of expenditure, which of course directly involves an equivalent in wages. It is obvious that there is but one of two ways by which these can be furnished: by economic earnings or by charity. Of course the latter is not supposable as a normal state. The insistence upon these rights or conditions is wholesome and entirely necessary to any considerable progress, but to secure them leads directly back to the question of wages. Wages, if they

cannot without demoralization and disaster be furnished by charity, must be furnished by earnings which can come only through the demand of the laborers themselves; and this demand will become effective only when stimulated up to the insistence point by the pressure of conscious necessity. In other words, these must become a part of the necessary expense of the laborers, in order to engender sufficient discontent and excite the needed energy to assume the risk of undertaking a strike, if needs be, to obtain them. Thus we get back to the ever-present fact, that cost, in the sense of aggregate expense, is the motive power which pushes up the price level of anything that is sold in the open market; and to this law labor is no exception.

In the case of women, Professor Patten thinks that if the economic forces fail to include the maintenance of women as part of the family expense without sending them to work, the state should intervene and guarantee an income. On this point he says, page 228:

"There is another right growing out of the peculiar position of women. Certain restrictions to women's activities have become general, partly the result of her position as a mother, and partly as an outcome of social conventions which have grown up in advanced nations. It is not necessary to determine whether woman's evils are physical or social. If physical, there is a natural ground for giving woman a preference; if social, this preference should continue until society is reorganized on some other plan. While husbands and fathers demand that wives and daughters refrain from earning an income, public opinion and law should support the claim of women to an adequate support. It is not enough that wives have the right of support, and that daughters be provided for, so long as their father's home remains open. The disabilities of women are general and affect all women. . . .

"No society is safe, nor can it be moral and progressive, until women are fully protected and have independent incomes. The law should compel it, if higher motives do not move men to compensate women for the evils to which they are liable, and from which they cannot escape without losing qualities that men admire. Women will be crushed or idealized; and if idealized, income and independence are essential."

It is clearly in the interests of civilization that women should not be economically dependent; especially in the



sense of any consciousness of gratuity. Their ultimate elimination from the workshop is clearly in the line of high social civilization, but that must come as a part of the social standard of life, by which women become, not merely parasites, but indispensable factors in the social life,—so indispensable that the home, the sentiments, the satisfactions, the social life of the men will be destroyed without them, and that their presence in the workshops would be a social disgrace. But this can hardly come by making women wards of the state. That is too paternalistic to give independence. Wardship never gives freedom; the only thing that really gives freedom is the consciousness that one is giving an economic equivalent and is rendering an indispensable service.

The independence of women, therefore, and their withdrawal from the shop and factory into the more important social field, where their contribution to culture and social elevation would be many times greater than in the field of production, must ultimately come through the raising of the ideals and standards of family and social life, which shall demand an adequate family income to maintain woman in the social field, where her best contributions to civilization can be made. Woman, then, instead of being a productive drudge, in the field where she is least effective and most wasteful, will take her position on the social, esthetic and refining side of life, where she can make the maximum contribution to civilization with the minimum effort and waste, and man be the sole provider, directing his energies in the field of his greatest efficiency. Thus man and woman become, not one dependent upon the other, but indispensably complementary to each other, alike in family life and societal influence.

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SOME ETHICAL PHASES OF THE LABOR QUESTION. By Carroll D. Wright, Ph.D., LL.D., United States Commissioner of Labor. Cloth, 207 pages. \$1.00. American Unitarian Association, Boston. 1902.

There is no person in the United States, and few in the

world, better qualified by experience and temperament to write on the ethics of the labor question than Carroll D. Wright. This little book of 207 pages is just filled from cover to cover with fact, philosophy and sense on this subject. It consists of four lectures: "Religion in Relation to Sociology," "The Relation of Political Economy to the Labor Question," "The Factory as an Element in Civilization," and "The Ethics of Prison Labor." Although these lectures were prepared separately, they inter-relate with and supplement one another with as much harmony as if they were written as successive chapters of a treatise on the subject.

Although, as a commissioner of labor, Colonel Wright is a "bloodless" statistician, as a man he is full of humane ethics, and this quality runs through every page of the little book under consideration, sustained by historical and statistical facts and references to the best writers extant, and inspired with the true spirit of societary evolution.

It is so satisfying nowadays to take up a book on the labor question that can censure the sweatshop, for instance, without denouncing society as a whole, and repudiating modern civilization. In the chapter on "The Relation of Political Economy to the Labor Question," Dr. Wright makes some neat and telling criticisms on the so-called "classical political economy" which treats labor as just so much economic mechanism to be bought as cheap and used as much as the machine will bear. Our author frankly allies himself with the new school, not so much perhaps because he has grasped the absolute soundness of its doctrine as for its more humane attitude towards modern questions. He says (pages 35 and 37):

"I am proud to sit at the feet of these new teachers, and to declare my allegiance to such doctrines, which are the need of the world today so far as economic questions are concerned. They recognize as fundamental elements of political economy the humanity of the world and its moral condition, because the best humanity is to be found where the best morality prevails. It will result in bringing into the science the treatment of the uses of wealth, as well as its accumulation, distribution, and exchange, an incite discussion upon the rela-

tions of labor and capital on an ethical basis; combining with the old question the old school always asks, 'Will it pay?' another and higher query, 'Is it right?' Political economy has failed to see that the highest industrial prosperity of nations has attended those periods most given to moral education and practices."

The chapter on "The Factory as an Element in Civilization" is worth many times the price of the book. It shows in the most conclusive manner, and yet with an obvious devotion to the interests of labor, that the factory system is a civilizer; that, notwithstanding its harsh and grating phases, and even at some stages its oppressive driving, it is the real means by which industrial improvement has come and is coming, and probably for the non-factory nations will come to the masses; that machinery is the real missionary of freedom and of better material and social conditions for the world's workers. This is the more significant because of the eminent qualifications of the author to speak on the subject.

This book is one of the sane, satisfying and helpful books on the labor question which every American should read. It will prove a magazine of information for those who are unfamiliar with the subject, and extremely interesting and helpful to even the most familiar workers in the field of social economics.

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#### NEW BOOKS OF INTEREST

*Tolstoi as Man and Artist.* By Dmitri Merejkowski. With an essay on Dostoievski. G. P. Putnam's Sons.

*William Morris; Poet, Craftsman, Socialist.* By Elizabeth Luther Cary. Cloth; price, \$3.50. G. P. Putnam's Sons, New York.

*Daniel Webster's Works.* Including Speeches and other hitherto Uncollected Writings. 3 vols.; cloth; price, \$9.00. Little, Brown & Company, Boston.

*The Negro in Africa and America.* By Joseph Alexander Tillinghast, M.A. Third series; Vol. 3, No. 2. Cloth; price, \$1.50. The Macmillan Company, New York and London.



## NEED OF FOREST PRESERVATION

HON. JOHN F. LACEY, M. C.

"A tree is the best gift of Heaven to Man."

"He that planteth trees, loveth others better than himself."

A farmer may raise a tree, a grove, or an orchard. Only a state or nation may live long enough to grow a forest. It is time for the people of the United States to awaken to the importance of preserving what remains of our once splendid forests.

We are threatened with continental baldness. The stone axe of the Indian, the browsing of the deer or moose, and the idustrious labor of beaver could do but little harm to the trees in the aboriginal days. Fire was then the only great agent of destruction. But now the axe, the saw and fire have combined in the hands of skilful men to sweep away in a few months that which hundreds or thousands of years were required to produce. And even steam and electricity have been called to the aid of the woodsman to hasten the progress of the deadly work.

We have just begun to extend our productive agricultural area by a national system of irrigation. This fact invites renewed attention to the subject of forestry.

The North American continent was favored by nature beyond all of the other great divisions of the globe. An impassable sea for ages protected and preserved it, until, in the fullness of time, the hour arrived for its occupation and settlement by civilized man. Our people have been surrounded by such a wealth of accumulated natural resources as to tempt them to play the part of destroyers. I recall the story of the man who found a great treasure, and

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\*A supplementary article by Mr. Lacey, giving a summary of forestry legislation in the various states, will appear in our February number. The illustrations accompanying the present article are from photographs furnished by courtesy of the Bureau of Forestry, Department of Agriculture.



ROW CUT OUT IN PLANTATION TO FACILITATE THE REMOVAL OF POSTS

when he reported the discovery to the king was told to keep it and use it. "But," said the finder, "the sum is too great for one man to use!" The king replied, "Abuse it, then!"

This seems to have been the policy of our people in the brief period during which our continent has been occupied by the Caucasian race. But the treasure has already been so exhausted that it is no longer safe to abuse it. Use should be restricted to necessary use. History should not be written in vain. Its teachings must not be disregarded. Experience should be accepted as a wise guide, and the subject of forest preservation now assumes an importance such as it never had before in this republic.

It is a subject that can be no longer ignored. The earth is our mother. She must be clothed; and her fertility can only be maintained by keeping a considerable part of her surface covered with forests. We must give up some of our land to nature, in order to keep the remainder for ourselves. Three-fourths of the planet is covered with water. But this is necessary that the remainder may be supplied with rain. The wanton destruction of our woods is an outrage upon fertility. There are few mistakes which require so long to repair.

The men who fifty years ago cut down the service-berry trees for their fruit, or pulled down the wild grape vines to gather the vintage, had no assurance that they would be present some other year to enjoy another crop, but they well knew that somebody else would be there, and the rights of those to come should have been held sacred. Our fathers cut down giant black-walnut trees for rails, and our own generation has pulled up the old stumps of the same trees for furniture making. "The fathers have eaten sour grapes and the children's teeth are set on edge." Posterity cannot escape punishment for the sins of their ancestors. We should not do unto our children what our fathers have done unto us.

Asia Minor once was nearly as populous as the United States. Among its many misfortunes the destruction of its forests was the one that was hardest to remedy. Spain and



Portugal are examples by which we should profit. Their history teaches us what to shun.

The subject of forestry, from a scientific standpoint, has come to the front in Europe from necessity. Calamity has forced the question upon public attention. The reforestation by the government of the mountains of France is going on, and it became an imperative duty in order to save the plains and valleys below. The deadly avalanche punished the Swiss for their reckless destruction of mountain forests. Germany and Italy are making amends for the mistakes of the past by a scientific effort to reclothe the mountains. But the process is a slow one. One generation may make wreck; it takes much time and many generations to restore. The penalty for sterility is a severe one, but it is the inexorable punishment for the disregard of the laws of nature. The great woods which once adorned the shores of the Mediterranean Sea have been almost all destroyed, and the process of their restoration languishes.



Making Stakes with Dynamite; California



HAWLING OUT BIG TREE SAW LOGS ON A LOG SLIDE

In America the ruin has been great. It was necessary to clear off vast tracts of farm land in the timber regions of the eastern part of the country. But in the wealth of woods and waters the temptation to become national spendthrifts was too strong to be resisted. Our attention has been challenged late—but not too late. There is still much to save. The abomination of desolation that has stricken so much of Asia Minor has not yet come upon us in many places. But our duty is plain. We have no right to destroy what God has planted and intended for our grandchildren. We are their trustees. We should not defraud them of their heritage. Our tombstones will be but the idle monuments of departed vandals if we do not preserve the birth-right of our posterity.

Trees are essential to human health. The alchemy of nature converts things offensive into life and beauty. But, while we are sensible to the beauty of the trees, we are more deeply concerned in their utility. Though the beauty of the woods alone would be enough to justify the action of the state or nation in their preservation or restoration, yet it is not necessary to consider the esthetic side of the question in order to reach a conclusion favorable to the adoption of a public system of forestry.

There is a dispute as to how far the amount of rainfall is affected by the presence of forests, but there is no doubt that the rainfall is favorably influenced by large bodies of trees. There is no controversy whatever that their disappearance is followed by the drying up of small streams and springs, and the replacement of the clear and never failing brook by the dry and gravelly bed of the occasional torrent. Sandy torrential beds are found where once the clear water flowed, even in the driest seasons. In the height of summer or in the depth of winter, the water from hidden sources, sheltered by the shade of the trees, could always be relied upon.

Farms must be cleared, lands must be put under the plough, homes must be built, but the waste land should be covered by a suitable supply of trees to preserve the fertility





A Virgin Forest; Adirondacks

of that which is dedicated to husbandry. The maxim that "The tree is the father of the rain" may be disputed, but no one controverts the truth of the adage that "The tree is the mother of the fountain."

For the last ten or fifteen years the subject has attracted well deserved attention in the United States. It could be no longer disregarded. The responsibilities of this great work have necessarily been divided between the departments of agriculture and the interior. The public domain is under the control of the department of the interior, whose principal business it has been to dispose of this land to private owners. The making of experiments and investigations in the interests of agriculture falls upon the department of agriculture, which has no control of the public lands. But these two departments of our government have been for some years working in perfect harmony upon these questions. The able men at the head of these great departments have realized the necessity of concerted action by all the friends of intelligent forestry.

The most important legislation on this subject has been

for the creation of the forest reserves. These reserves now contain 60,175,765 acres, of which 13,765,556 acres have been added within the last year. The scientific management and control of this vast area will afford ample opportunity for the energies of the officers in charge. Forests should not be reserved from the use of man, but for his use. The ripe or matured trees should be marketed and the growing timber carefully preserved. Instead of the indiscriminate destruction of all trees, large and small, the marketable ones should be so cut and removed as to leave the young forest the freest and fullest opportunity for rapid growth. These reserves should be more than self-supporting. They should yield a revenue over and above the expense of their care. Such grazing should be permitted as can be done without detriment to the purposes of the reserve. The question is not a sentimental one. It is in the highest degree utilitarian. We admire the sentiment which protects a tree for its beauty or associations, but the subject of national forestry after all is very practical and commonplace.

Under wise and prudent forestry there is no waste.



"The Abomination of Desolation;" Burned Stump Land in Minnesota

Ripened trees are removed and leave space for the younger growth. In natural conditions individual trees die and are replaced by others. But when our national forests are rightly administered each year will yield its supply of matured timber for the use of the people. Forestry is tree farming on a grand scale. It is no idle dream, but we may reasonably hope that in the future the nation's woods will not only protect the permanence and purity of the water supply, but will in a large degree supply the needs of the people for timber products.

Photography enables nature to speak for herself, and in these pages will be found an effective plea of the trees. Look at the virgin forest,—a scene of health and beauty. The snow clothes the ground and the trees shelter the snow. Then look upon the scarred, ghastly face of nature, hacked and torn by the saw and axe, scorched and blackened by smoke and flames, useless alike to man and beast. The very soil has been baked and calcined. These scenes depict things as they are. They preach an effective sermon against the wastefulness of man.

The central thought of all public land legislation should be homes for the people. The day when the national domain was looked upon as a source of revenue with which to carry on the government has long since passed away. Mr. Buchanan vetoed the homestead bill because it would deprive the treasury of one its best sources of income. But the test of time has been applied to the homestead policy and has proved its value. The purpose of the irrigation law is to provide more homes for more people. The friends of forestry laws recognize to the fullest extent the wisdom of the policy of free homes. Timber lands should only be withheld from settlement to make more habitable and useful the lands which remain open for the homestead settler.

Clear streams, fed by pure springs, are necessary alike to the farm and to the city. The sources of supply must be sheltered by the shade of the trees. We have yet remaining nearly six hundred millions of acres of public lands, aside from Alaska and the Philippines, most of which lacks





BIG TREE TIMBER CUT FOR GRAPEVINE STAKES, SHOWING ENORMOUS WASTE IN LUMBERING AND DESOLATE APPEARANCE OF SUCH DENuded LANDS



A Timbered Slope in Proposed Appalachian Park; North Carolina

only water to cover it with vegetable life. Successful irrigation requires a steady water supply, and forests are the first essentials in preserving both snow and rain.

When the American people become fully awakened to the importance of forest protection, the additional needful laws will be placed upon the statute books. Much has been done already, and the sixty million acres of forest reserves are a living testimony of the work. No legislation of congress will be so enduring a monument as that which shall provide for our children and our children's children an adequately protected system of national forests.





“When the race goes to its work in the morning, it goes to its school; and the chief result of its toil is not that which it makes with its hands, but that which it slowly and unconsciously creates within itself. It is concerned with the product of its toil, with soil, seed, or grain; with wood, paper, metal, or stone; with processes and forces; but in the depths of the worker’s nature there is a moral deposit of habit, quality, temper, which is the invisible moral result of his toil.”

—*Hamilton Wright Mabie.*

# GUNTON'S MAGAZINE

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## THE ADMINISTRATION AND TRUSTS

If congress does not create an industrial disturbance it will only be because of the exceptional stability and solvent condition of the industries throughout the country. It often happens that the minority party in congress will introduce radical disturbing legislation for the purpose of creating a political issue, but it seldom happens that an administration which is supposed preeminently to represent the stable business interests of the country, and whose political watchword is "national prosperity," assumes the lead in a business-disturbing policy.

There are two lines of policy which are preeminently business-disturbing in their effect; one is the disruption of the established tariff conditions, and the other radical restriction of corporate enterprise. On both these lines the forces in congress are exceptionally active and not a little confused. The peculiarity of the situation is that the agitation of both subjects is chiefly due to the urgent and almost coercive attitude of the administration. On the tariff matter the administration has insisted that congress shall do "something." At first it was free sugar for Cuba, then 50 per cent. reduction, then a general tariff revision, then the appointment of a tariff commission, and now it is the adoption of reciprocity treaties. The pressure exercised over congress verges on dictation, since the demand is accompanied by an implied threat of a special session if the administration policy is not adopted.

On the trust question, a similar situation has developed. When congress opened, the first day witnessed a flood of anti-trust bills\* It was hoped and reasonably expected that

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\*See *Lecture Bulletin*, January 1.

the influence of the administration would be on the side of conservatism and rational treatment of the subject. The administration party having a majority in both branches, it was naturally supposed that the business interests would be essentially safe in their keeping, but recent developments seem to indicate that the administration is as restive on the trust question as it is on the tariff question. Instead of exercising its influence to suppress the sensational outburst against corporate industry and give assurance to the stability of industrial enterprise, it is practically threatening congress with a special session if some radical "anti-trust" legislation is not enacted. To this end the attorney general has drafted an anti-trust bill which, if adopted, would practically destroy the freedom of productive enterprise and business competition.

The first administration bill was introduced to supersede the multitude of others on January 8th, 1903. This bill, in addition to other drastic features, provided for the creation of a commission to carry out the law. This commission was to have free access to all books, contracts and private business information whatsoever. This has been superseded by a bill creating a department of commerce, which is to exercise inquisitorial powers. This bill provides for three things,—publicity, no rate discrimination, and uniformity of prices.

A reasonable amount of publicity of the affairs of certain kinds of corporations would be wholesome, and might correct the major evils complained of. Quasi-public corporations, like railroads, which are common carriers and have a monopoly franchise granted by the government, may properly be subject to publicity. As in the case of banks, the government may properly inquire into their methods of doing business, and this for the obvious reason that as common carriers they are morally and legally bound to treat all customers alike for the same service. Discrimination between customers by common carriers may be disastrous to certain enterprises, industries, or localities. The right of the government and the public to know the facts



is indispensable to the enforcement of the proper performance of the public function, as provided in both the charter and franchise privileges. It is a matter of economic ethics that one shipper should have the same treatment as another shipper for the same quantities over the same roads, and to insure it he must have the right to know exactly what other shippers or all shippers pay.

But private concerns, which are under no special obligation to the government for monopolistic privileges and simply depend upon their own capital or enterprise for the success of their business and their ability to compete in the open market, should be subject to no such conditions. It is a manifest encroachment on individual rights and a menace to industrial enterprise to subject private business concerns to the prying of government officials into matters which concern nobody but the firm and its competitors. If the government is to have the right to ransack the books of every business man, know the secrets of his business, the price he pays for his raw material, his contracts, and whatsoever, then the value of exceptional skill, energy and enterprise will be destroyed. A man's business secrets are as much his own as are his family secrets. The man who has developed exceptional skill or devices by which he can make greater profits than his competitors, which is the legitimate reward for exceptional ability, will be subject to having all that advantage destroyed by the inquisitorial meddling of government officials who may disclose all the facts to a competitor.

This is opening the door to unlimited bribery and corruption. The secrets of successful business concerns, like the "pulls of the boss," would soon be for sale, and successful business would become the victim of political blackmailers. Safety for large corporations will consist as much in securing the control of the proposed new department of commerce as it will in the successful conduct of their enterprise. Campaign contributions, the success and defeat of presidents and parties, will be made to turn on the appointments in this department. Such immense interests

would be involved that it would pay to spend millions in this direction. Nor could corporations be blamed for this kind of expenditure; it would be forced upon them as a matter of protection, just the same as the exactions of the political bosses are now. Corporations contribute to the Platts and Quays, not because they believe in them, not because they want special legislation, but solely as a means of buying protection against blackmail legislation. Corporations may be relied upon to do whatever is necessary to secure the opportunity and protection to do business. If we force upon them the necessity of corrupting the government and building up a system of political blackmail and debauchery in order to secure protection, they will do it. The publicity feature of the Knox bill has all this in it, and it is as unnecessary for the wholesome purpose of legitimate regulative legislation as it is wicked in its demoralizing and politically debauching tendencies. Private corporations which have no franchise privilege should be as free from inquisitorial meddling as the private affairs of the individual. There is no more reason why the public should pry into the private affairs, contracts, raw-material purchases, etc., of iron and steel corporations, cotton, woolen and silk mills, than it has to know about the private family affairs of the president, congressmen, or other citizens. Public interest does not demand it. No public interest would be served by it. If by any secret method of securing raw material, or methods of doing business, or securing discounts in the purchase of equipments, or applying economic devices, a corporation can make a larger profit than its neighbors, it has the same economic and moral right to do so that any citizen has to the disbursement of his salary or the purchase of his family supplies. All that the state should do, and by moral and economic right can do, is to see to it that all the avenues of competition are open between productive enterprises. Those who can furnish the products the cheapest, for whatever reason, provided it is not dishonest, have the highest economic and moral right to do so, and it is a detriment to industry and social welfare

to interfere or in any way restrict the free exercise of such economic enterprise.

On the matter of discrimination in the case of common carriers, the provisions of the bill are essentially sound and consistent with industrial fairness and public welfare; but on the question of regulating prices the bill is vicious in the extreme. Any arbitrary interference with the movement of prices is sure to be injurious, because no commission or government can ever adjust prices with half the accuracy and economic equity that can be accomplished by the action and reaction of the competitive forces of society. Any attempt to give a commission or government agents such power over prices is to invite the worst forms of economic injustice and maladministration.

On the 17th of January, by way of helping out the matter of prices, a bill was introduced in the house of representatives making it a crime for any firm or corporation to sell any article or commodity at a price "above the usual percentage for the transportation, handling, production, or sale of such article." This bill provides (section 4):

"SEC. 4. That in construing this act the necessary cost of production, cost of transportation, the purchase price, the percentage of increase, and the usual profits for such production, transportation, sale, and so forth, in normal times and under normal conditions, among all other circumstances, shall be considered in determining whether such service, production, handling, sale, and so forth, were reasonable. In any case where, by reason of any abnormal or exceptional condition giving any producer, dealer, carrier, or other person an unusual power in fixing the price for carriage, handling, selling, or producing any of the necessities, comforts and conveniences of our social system in common use among the people in any town, city, or community in the United States of America, and make such increase excessive or above the normal charges for such acts or services, shall constitute an extortion or misdemeanor.

"SEC. 5. That upon the conviction of any one of a misdemeanor or extortion as above described, he, she, or it shall be fined not less than one hundred dollars and not to exceed five thousand dollars, or imprisonment for one year, or both, in the discretion of the court pronouncing the sentence, and every separate act in violation hereof shall constitute a separate offence, and every agent, officer, manager, company, or corporation shall be jointly and severally liable.



"SEC. 6. That any one who pays any of the exorbitant charges aforesaid may collect three times the amount of such excessive charges and all costs, including an attorney's fees, not less than fifty dollars and not exceeding five hundred dollars, to be collected in an ordinary action of debt."

Here we have an illustration of the economic stupidity behind inquisitorial legislation. Of course every economist knows, though congressmen may not, that under competitive conditions the price of commodities sold in the open market tends closely to approximate the cost of producing the dearest portion of the commodity regularly supplied to that market. Thus, producers who are working at the greatest disadvantage, either from lack of skill or capital, or whatsoever, are making very little and sometimes no profit at all, but at the same time there are always concerns, if the business be of any magnitude, which are making liberal or even large profits. The reason for this is that the latter either have larger capital, better methods, better management, or some other economic advantage, due to superior economic capacity in some lines. This larger profit is not obtained by charging a higher price than those competitors who have very little or no profit; these most successful concerns always sell as low as and sometimes a little lower than their competitors. If this bill should go into effect, corporations which made more than the so-called "normal" profit, to be determined by a political commission and based on the cost of production, would be subject to fine and imprisonment. For instance, if Carnegie could make 50 or 60 per cent. profit on his investment, while some of his competitors could not make more than 10 per cent., selling at the same price, he would be charging an abnormal price, estimated by *his* cost of production, and would be at once a candidate for state's prison. Such a law would make industrial success a criminal offence. It is difficult to conceive that such a measure can have the approval of the administration.

As we go to press a new bill is introduced into congress by Senator Elkins, of West Virginia, said to have the ap-

proval of Attorney General Knox and the president, which applies only to railroads and common carriers. It provides, with heavy penalty for violation, that railroads and common carriers shall publish the tariff rates and charges, and it further provides that:

"It shall be unlawful for any person, persons or corporation to offer, grant or give, or to solicit, accept or receive, any rebate concession or discrimination in respect of the transportation of any property in interstate or foreign commerce by any common carrier, subject to the acts to regulate commerce, whereby any such property shall, by any device whatever, be transported at a less rate than that named in the tariff published and filed by such carrier, as is required by said acts to regulate commerce. Every person or corporation who shall offer, grant or give, or solicit, accept or receive any such rebates, concession or discrimination, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than \$1,000 nor more than \$20,000."

This really covers the case, and if enacted, and carried out in good faith, would effectively prevent any serious discrimination by railroads and put the transportation service on the same basis for all competitors throughout the country. Those who really wish to correct the evil of discrimination, and not to injure business enterprise, will hail this as a wholesome, effective measure; but those who want to "play to the galleries" to make political capital will of course insist upon a more radical, inquisitorial and business-injuring measure.

## MONTHLY REVIEW OF FOREIGN AFFAIRS

W. C. JAMESON REID

*The Russianization of Asia.*—The unmasking, but a comparatively short time ago, of extraordinary Russian political activity in Manchuria, and the general belief in well-informed quarters that for some time past Russia has been playing fast and loose with the other great powers forming the international convention, have made close students of Asiatic political conditions keenly alive to the complex possibilities which may disturb future economic and political conditions in the Far East. In hazarding the statement that Russia is at the present time, and will continue to be, the most serious menace to the establishment of sound political and economic conditions, not alone in China but throughout Asia, I do not wish it to be construed that I am blinded by any personal feelings of Russophobia; the simplest survey of the real facts of the case will, I feel, serve to show that this contention of the menace of further Russian expansive growth in Asia being a serious danger to the world body-politic is not the vague and nebulous fancy of an alarmist rumor-monger, but is founded on concrete and demonstrable conditions which it would be fatuous to belittle and futile to ignore.

There are numerous straws showing how the wind blows; the whole course of Russian aggression in Asia has left indubitable footprints evidencing the intent and scope of its future purpose. Peter the Great was the father of Russian expansion, and from the expedition he sent out to Khiva and the Oxus there has never been a single retrograde step in Russian expansive policy from the advance once taken. In Afghanistan, in Central Asia, in China and in Persia, Russian dominance is day by day more boldly unmasking. It is an open secret that at the present time in Persia the power of the shah is less than that of the czar. The entire country is surveyed for a network of



Russian railways, some of which are now being built, so that Teheran and St. Petersburg will soon be connected by them.

These movements, although not always accompanied by a blasting of trumpets—for such is not the custom of subtle Russian diplomacy—are none the less freighted with deep significance. So secretly and gradually has all this been done that even now British statesmen have not ceased rubbing their eyes and questioning the evidence of their own senses. Hitherto Russia has relied to a great extent upon the more subtle, though none the less successful, methods of diplomacy to accomplish her purposes; only during recent years, as a tentative “feeler” of the latent strength she has gathered, have been heard the first faint rumblings of the new and more truculent policy which Russian statesmen now feel the moment propitious to adopt, to ensure the further eventuating of Slavonic dominance in Asia. It may seem a far cry from the respective interests of England and Russia—the two nations with perhaps the most vital and important interests at stake in Asia—to those of the United States, but these interests are much less remote than might appear from a mere superficial consideration of the question. Naturally, in the attitude which she has adopted in striving to maintain the present political integrity of China and other Asiatic countries, Great Britain expects and looks for the moral support of the United States. Nor is it possible, without inviting an economic menace, for us to remain quiescent in the political duel between Anglo-Saxon and Slavonic policies. Our commercial interests in Asia are large, and constantly increasing. To ignore this consideration would be outraging every ethic in the code of national common sense. It is a nearsighted and dangerous attitude to assume that we are not bound to help England pick her chestnuts out of the fire; we should see clearly where our own interest lies and safeguard that interest properly. It must be recognized in considering the struggle between conflicting British and Russian interests for Asiatic supremacy

that while Great Britain would be the first and perhaps the nation most seriously to suffer from Russian dominance, there is always the added menace of Russia, with her well-known and unmistakably-defined nationalistic policy, using such power to further other aggressions, and in the end arrogate to herself such arbitrary and prohibitive rights in the East as to affect vitally the interests of the United States, and in fact all nations to whom trade relations with Asiatic countries, and their commercial development, are of importance.

Both Great Britain and Russia have an interest in the development of Asia, but unfortunately each is bound by motives of policy to upraise barriers detrimental to the growth of the other. With England, the acquisition of territory, considered merely as territory, weighs but little. She has in this direction no designs of conquest; her interests, rather, do not so much demand further territorial growth as the consolidating of existing institutions, the maintenance in greater strength and security of the present established order of things, and the permanency of those rulers who show themselves capable of administering their ancestral possessions. There is nothing in China to excite the cupidity of the English government, for as an ally, even if an inactive one, China is more valuable to England than is a territorial acquisition. English influence, wherever it is exerted, is in favor of free trade; it asks for itself neither protection nor any advantages which are not equally offered to all the world, so that it is not possible to say that the British commercial policy is hostile or unfriendly to any country. There can be no doubt that, preferably, England would rather that China should remain politically independent than to be saddled upon her as is India. She is strong and able enough to compete with any commercial adversary who may rise up against her, and under the circumstances of China maintaining her political integrity England could reasonably hope to hold her own in trade competition with other countries. That being assured, the nominal question of ownership would be im-

material so long as the question of trade policy did not suffer.

With Russia, however, the case is different. It is her custom to rule foreign competition out of her possessions by certain arbitrary edicts. The result of this stringent nationalistic policy on commercial intercourse of alien nations is patent. The acquisition of valuable territory in China, and elsewhere in Asia, by extending the "sphere of influence" to one of domination, and the application of this restrictive principle, would be a serious blow, not only to English commercial interests, but other nations must suffer correspondingly. If English influence in this territory were paramount, taking our own case, it would accord to the United States as well as to other nations the same rights of entrance as England asks for herself. This liberal policy at the present time enables us to sell goods in India and other English colonies with the same advantages as England herself enjoys.

On the other hand, the possession of any considerable part of China, or even the paramountcy of Russian influence at Peking, would mean that the concessions which the nations of the world have spent years in wresting from China would go for naught; in short, that the door of trade which civilization has succeeded in pushing open against Chinese exclusivism would be henceforth shut against all save distinctively Russian interests. It is easy, therefore, to see the reasons which actuate British statesmen in supporting any measure antagonistic to Russian interests. The eventual success of Russia in China would increase formidably her influence in the west Pacific; indeed, to the most casual observer, such success would mean complete political, commercial and military dominance in Asia. Possession of large tracts of territory, or strategic points, would give Russia a fearful preponderance in the East.

Speaking of Great Britain alone, the success of Russia in China and Central Asia would most seriously menace not only the further growth but the very existence of that nation in the East. Nor is this an exaggerated idea of the



subject. The march of Russian aggression has constantly gained ground through four centuries, marked by no serious setback. For years Russia has had to force her way in the face of general European opposition, notwithstanding France's recently manifested friendliness. But slowly and surely her diplomatists have worked out a plan of intrigue and coercion, until at the present time Russia holds a strong hand over Europe, and with the other menaces the whole of Asia. With the possession of important interior posts and seaports in China, Russia would be able to nullify any advantage that England might enjoy from her superior naval armament, while it would be a comparatively easy matter to throw thousands of well-trained troops across the Siberian frontier, and, with bases of supplies in strategic points of Central Asia and China, to let loose the semi-barbarous and Anglophobist tribes of Turkestan, Afghanistan and Thibet upon the fertile plains of India, Persia and China. These are the conditions as they really exist. Can England stem the tide of Russian aggression, and if so for how long? How long, the future alone can tell, but it is to be hoped that selfish interests alone, if none others prompt, of the great powers interested in trade relations with China, will upraise such a collective sentiment in support of England's policy as to check the further growth of Slavonic dominance in Asia beyond its present limitations. For, if eventually successful, such an untoward condition as the paramountcy of Russian interests in Asia would prove, commercially at least, a world calamity.

*Why Home Rule is Impracticable for Ireland.*—Although the most prominent Irish leaders are vehement in their denials, to those best acquainted with international political conditions the fact seems to be pretty well established that the cause of home rule for Ireland has received a notorious setback during recent years. And, paradoxical as it may seem, to a great extent the reasons for this decline may be laid at the door of the Irish party

itself. Opinions may differ as to the justice or fallacy of the movement looking toward self-government of Ireland, but there can be no doubt in the minds of long-sighted political prophets that the action of the various leaders of the Irish nationalist party while England was embroiled in South Africa was a fatal strategic mistake, and one which has worked incalculable harm to the cause of home-rule for Ireland. The reason for this filibustering policy on the part of Irish leaders it is difficult to fathom, for by it they could expect to gain nothing and stood in a position to sacrifice what success had already been attained toward the fructification of their plans. The abandonment of the question of home-rule by the Liberal party has dealt a blow to Irish home-rule agitation from which it will find difficulty in recovering, and it need not cause surprise if the agitation of this movement, now shorn of the support of its most powerful champion, more markedly wanes in the near future.

There is not room within the limitations of the present paper to go fully into detail regarding the numerous perplexing features of the Irish problem, but, speaking from a strictly non-partisan standpoint, there are certain paramount features which immediately strike the investigator, all tending to show the impracticability of home-rule for Ireland in the present stage of her economic and ethical development. Irish leaders have been at some pains during many years to convince the British government, and incidentally the world at large, that a home-rule parliament would pursue a wise, just and practical policy. But the every action of those leaders to whom Ireland has entrusted her cause has rendered it only too palpably evident, unfortunately, that in Irish politics moderation is always distanced by violence. The danger that this would happen, when the restraint of having to defend extreme measures before an assembly responsible to English and Scottish as well as Irish opinion was removed, would not be lessened by the lowering of the franchise in Ireland. True it is that the extreme measures which

would probably find favor with an Irish parliament can only be conjectured, but it is just this fear of the uprising of serious economic and industrial menaces by an Ireland politically independent which has been the greatest stumbling block to all that the inspirators of the Irish home-rule movement hope for. A brief survey of these multiplex features will serve to explain more clearly this important feature of the situation.

It is not unfair to suppose, in the event of the government of Ireland resting in Irish hands, the power of taxation being wholly under the control of a house of commons elected by the Roman Catholic majority, that the church of Rome would be substantially if not formally endowed, and that a system of denominational education—primary, secondary, and academic—directed chiefly by the monastic orders, would be established in Ireland. These things would certainly be done if Ireland were independent, for among the Irish Roman Catholics there is nothing resembling the spirit of French or Belgian liberalism. The majority of the electors being connected with agriculture, measures of sweeping agrarian reform would certainly be introduced. The landlords would for the most part be expropriated or forced to sell their estates by indirect pressure, such as exceptional taxation; the tenant farmers would obtain fixidity of tenure, either with “fair rents” and “free sale,” or as owners subject to a state mortgage. Public works would be instituted upon a large scale at the expense of the government—that is, the taxpayers of the upper classes, on whom these and other charges of similar character would be made to fall. Manufactures would be “fostered” by bounties and protective duties, and agriculture would in turn demand protection against foreign grain and foreign meat. It is likely that there would even be an attempt to enact a navigation law for the development of shipping and shipbuilding in Irish ports. The criminal law and the civil law would be modified in many parts, and Ireland would thus be made to diverge from England in the non-political relations. The relief of the



poor and the administration of justice would be "popularized." Patronage would be created wholesale, and offices would be held "at pleasure." The constabulary would, doubtless, be maintained as a semi-military force, which on occasion could be employed as a national army.

All these changes could, beyond question, be carried out by an Irish parliament, and I leave it to those who know Ireland well to say whether it is not almost certain that they would at least be attempted. Every one of them would widen the breach between Great Britain and Ireland, would engender bitter feelings, and sooner or later would provoke interference. It is needless to point out how closely interwoven are the interests of England and her sister island. Not alone are the owners of land in Ireland connected by many ties with England and Scotland, but English capital is largely invested upon Irish mortgages, in Irish railways and other companies, and in the interchange of trade. England could not look with indifference on confiscations, crushing imposts, and anti-English customs measures enforced by an Irish parliament. It may be said that in a federal constitution provisions might be inserted guarding against the most flagrant invasions of proprietary and other rights. But should a later Irish legislature decline to be bound by such stipulations what remedy could be applied? England would have no means of compelling Ireland to keep the terms of the federal compact, except by levying war, as we were forced to levy war against South Carolina and the rest of the southern states. It may be assumed that the dominant party in Dublin would choose a time when it might be difficult for England to assert her authority, as during a crisis in Europe or an actual conflict.

A yet more dangerous economic menace of an Ireland politically independent would be that the Irish parliament not only would have the power of carrying out its own fiscal policy,—which would probably be mischievous, and would almost certainly be divergent from that of England,—but would have no other obligation toward the empire

than the payment of a stipulated sum as a contribution for imperial objects. Is it unlikely that, perhaps in a year of distress, a cry would be raised against this contribution, and that the drama of the anti-rent agitation of past years would be enacted once more on a wider scene? The relation of Ireland to the imperial government would closely resemble that of a tenant to his landlord, and no constitutional pact could be regarded as more binding between nation and nation than is the unconditional promise to pay a fixed rent between man and man. A refusal to pay on the part of Ireland would place England in a dilemma. If the demand for an abatement were once admitted, the full sum, on one or another pretext, would never again be paid. If it were resisted, the money would have to be levied by force, which would be met by force.

If the reader will closely follow these important considerations he will recognize the point I wish to make, that while in themselves the governmental changes that would come with home-rule are not dangerous in violently disturbing present economic conditions, the methods of their enforcement would be such as to render strife inevitable. The most serious objection to be found in all this is that Ireland, in the event of a quarrel, would be induced to hold her ground by the fact that she would possess the machinery of government and the sinews of war. At present an Irish insurrection is not only hopeless, but is recognized as hopeless by all intelligent Irishmen. It might be otherwise if there were a legislature, an executive government and a state treasury at Dublin, and if a majority of Irish nationalists commanded the financial resources of the country and possessed in the constabulary something not unlike an army. It may be added that a home-rule legislature would at once enroll and arm the peasantry under the name of volunteers, and everything points to the probability that the first serious controversy would end in civil war. As certainly civil war would end in the reconquest of Ireland, and the entire industrial, economic and political poise would have been disturbed for years for naught.

*Constitutional Government in Austria.*—For a number of years the political condition of affairs in the dual kingdom of Austria-Hungary has been somewhat disappointing to well-wishers of that country, and with the constant recurrence of these lamentable internal disorders it is not surprising that in many well-informed quarters the belief is entertained that the end of constitutional government in Austria is drawing near. Emperor Francis Joseph evidently is thoroughly tired of the disgraceful internecine quarrels which have characterized the sessions of the Austrian parliament for several years past, and has given evidence by his public utterances on various occasions that unless in the near future conditions are changed for the better he will support the measure for which most influential Austrians have been clamoring for some time past, the complete suspension of the constitution. For five years now the budget has missed constitutional approval and control, and the most important suggestions of the government remain unsettled. Every necessary reform is retarded, the wishes of the people and everything relating to the material welfare of the nation, especially tax-reform, are made secondary to the one question which concerns only a part of the empire—the language question. In other countries, industry and trade flourish under fostering care; whatever progress is made in Austria is due to private enterprise.

All this is bound to have a serious effect in undermining the economic and political structure, but, whatever may be the fate of the constitution, the stable elements in the dual monarchy are still the emperor and the house of Hapsburg, supported by the official class and the incorruptible loyalty of the army. The emperor has weathered so many storms already it is conceivable that, in the hands of so able a pilot, even a reversion to unchecked autocratic government would prove eminently preferable to the prevailing farce of constitutionalism. There can be no doubt as to how entirely the emperor commands the love and obedience of all his subjects; and the sharp reproof which



he administered recently to members of the clerical party who undertook to interfere in Bosnian politics is a good instance of his determination not to stand nonsense from any party, and of the approval which follows such acts of personal authority on his part from the recognized organs of public opinion. At the same time, great, and deservedly great, as the emperor's influence undoubtedly is, no friend of Austria-Hungary wishes to see too great a strain put upon it, particularly at this moment, when there is a great deal of threatening unrest in the east of Europe.

*The New Poland.*—A feeling of disquiet is again manifesting itself in German governmental circles regarding the possible future eventualities which threaten from the Polish problem. It was but a short time ago that the German emperor paid his memorable visit to Posen, and in spite of the fact that serious political disturbances did not follow, as had been confidently predicted by alarmist political prophets, there can be no doubt that this very surface indication of calm in itself presages the storm which is liable to spring up at any moment to disturb the internal economy of Germany. The fears of German statesmen, furthermore, are not totally unwarranted by the facts in the case, for the sturdy Chauvinism of the Polish people as a whole has of late been greatly strengthened by a revival of national ambitions, nurtured by their clergy and strengthened by association. This Polish problem of Germany is, in fact, one of the most curious exhibits in the political exhibition of Europe. The brilliant qualities of the Pole, and as I have said before his unwavering Chauvinism, have given him an influence in present-day affairs of Germany widely at variance with his territorial and numerical importance. Although the government is well aware of their growing strength, there is no way to oppose men who do not openly rebel.

The peculiarity of the Polish movement lies chiefly in the fact that the Poles are not confined to parts of former Poland. They have spread over all parts of Ger-

many, and by their natural abilities have assumed leadership over Germans around them without undergoing the process of assimilation. At the present time they have fourteen seats in the reichstag, in spite of the antagonistic influences of the government brought to bear against them, while in their own provinces their places are filled by Poles from Russia and Austria. In nearly every province the Poles have increased. In Silesia they have increased from 994,000 to 1,023,000, in Westphalia from 27,000 to 150,000 since 1890. In 1901 Prussia had 3,000,000 Polish-speaking people out of a total of 30,000,000. The increase of the Poles is not due solely to an excess of births, but to the strong immigration, and there is no doubt that the Poles have been strengthened everywhere by the assimilation of purely German elements without they themselves being assimilated, if the seeming paradox can be understood.

The movement is all the more interesting as it is not connected with territorial complaints. There is no political difference between the provinces largely inhabited by Poles and other parts of Prussia. The German government has endeavored to increase purely German influence in purely Polish districts by buying up the estates of degenerate Polish nobles, parcelling them among German farmers. But the Polish peasant of today is as thrifty and careful as the German, and in many cases the holdings have passed into the hands of Polish cottagers, thus increasing the influence of the Polish element. The peaceful conquest of the German body-politic by subtle Polish influences is perhaps one of the most peculiar anachronisms of present-day European political conditions.

## PROTECTION, NOT RECIPROCITY

At its annual meeting, January 16th, the American Protective Tariff League unanimously adopted the following resolution:

*"Resolved, That reciprocity in competitive products by treaty is unsound in principle, pernicious in practice and condemned by all experience. It is contrary alike to the principle of protection, to the fair treatment of domestic producers and to friendly relations with foreign countries. It is neither ethical nor economic, since it seeks to benefit some industries by the sacrifice of others, which is the essence of injustice. As at present advocated, reciprocity is a policy of favoritism. It would tend to array industry against industry and section against section at home, and foment industrial retaliation and political antagonism abroad. Such a policy would open the door to the grossest favoritism in legislation, promote the growth of a corrupting lobby, and increase the power of debasing bossism. Such a policy has no justification in economics, statesmanship, ethics or good politics. True American policy is protection of all the opportunities and possibilities of the American market for American enterprises, and fair, equal treatment for all other countries, namely, the equal right to compete for American business in the American market by the payment of the full equivalent of American wages. This alone is honest protection, good republicanism and the true American policy."*

The Tariff League has long been the official representative and leader of the protective doctrine in this country. It is not a political organization, but it has always been a bulwark of support of the republican party, because the republican party has been the party of protection. It is entirely free from local bias or factional interest. It stands for the idea of protection as a doctrine of national policy. Without regard to state or section, its position, particularly in recent years, has been so clear, strong and straightforward that its influence has become a positive political quality in every state and well-nigh every election district in the country. One element of strength in the Tariff League is that while it is indefatigable in its labors, spending large sums of money every year in literature, lectures and other means of furnishing bona fide information to voters on the



subject, all of which contributes directly to the strength of the republican party, it makes no demands upon the administration for any favors. It asks no offices, either elective or appointive, from the party or the administration.

It is needless to say, therefore, that a republican administration which succeeded to office solely as the representative of protection can ill afford to ignore the position of the Tariff League upon the subject of which it is the recognized national leader, when so definitely and explicitly expressed as in the above resolution. This is the more significant in view of the fact that during the last year the administration has shown more than a willingness to encourage the opening of the tariff question in some form; first, by a special reduction of duties for Cuba, then by a general revision of the tariff, as indicated in the "Iowa platform," then by the proposed appointment of a tariff commission, which is another way to accomplish the same end, and now a friendliness, if not a positive advocacy of reciprocity treaties.

It will be observed that this expression of the position of the Tariff League is a direct challenge to this whole tariff-disturbing policy. It declares in the most direct and specific terms that the policy of making reciprocity treaties in competitive products is "unsound in principle, pernicious in practice and condemned by all experience;" that "it is contrary alike to the principle of protection, to the fair treatment of domestic producers and to friendly relations with foreign countries;" that "it is neither ethical nor economic, since it seeks to benefit some industries by the sacrifice of others, which is the essence of injustice." It further declares that "as at present advocated, reciprocity is a policy of favoritism. It would tend to array industry against industry and section against section at home, and foment industrial retaliation and political antagonism abroad."

All this is very frank, straightforward, and—what is more to the point—it is entirely true. The position taken by the Tariff League in this resolution is sound in doctrine.

As Mr. Carnegie said, in giving his hearty endorsement to it: "We will make several enemies for every one we favor. The policy of our fathers is the true republican policy; the friend of all nations, the ally of none, equal justice to all, favoritism to none."

It ought to be clear to every observer that for the United States to enter into a system of allowing special privileges to some nations to the exclusion of others is the very surest of all ways to make enemies. Nothing will make one country the enemy of another so quickly as to be conspicuously put at a disadvantage in its trade relations. To put Russia, France and England at a disadvantage with Germany, Italy and Austria, in entering the American market, would, of course, make Russia, France and England the enemies of the United States. Only a fool could fail to see that. The policy of reciprocity treaties is equally unfair and unstatesmanlike in its attitude toward domestic industries. Every such treaty offers some American industry as a sacrifice in a bargain to help some other and to secure the substitution of foreign for domestic products in the American market. Nothing could be a surer source of political disruption and sectional antagonism than such a policy. Of course the industries that are offered as a sacrifice become the enemies, politically and otherwise, of those that get the special favors. It would not take much of this to disrupt the republican party.

It is quite easy to see why professional free-traders, and even why the opposition party, should encourage the administration in urging the policy of reciprocity. In the first place, it is the entering wedge which will ultimately disrupt the protective policy. Those who honestly believe in free trade very naturally welcome, and indeed labor hard, to bring about such a consummation. Anything which will injure protection, whether it be by a direct cutting down of duties or by indirectly disrupting the protection party so as to make it at war with itself, is all the same so that the result is the overthrow of protection. The opposition party is eminently interested in urging the re-

ciprocity policy, because anything which divides republicans will improve the opposition's chances of returning to power. But the republican administration, whose very life depends upon the support of the protection sentiment of the country, may well hesitate before becoming the champion of such a policy.

The position of the Tariff League in this matter is impregnable, because it stands for a straightforward, impartial, national application of the doctrine of protection to all industries whose development requires protection. In other words, it stands for protection as a national doctrine, with no favoritism and no sacrifices. Second, its position nations in the American market. It declares for the equal right of all countries "to compete for American business in the American market by the payment of the full equivalent of American wages." This position is beyond criticism. It protects the American market for American industries, but puts all countries on an equal basis in competing for American business. This indeed is good protectionism, good Americanism, and it ought to be good republicanism. This eminently sound and straightforward policy would tend to check the growth of what reciprocity treaties would do so much to encourage, namely, the corrupt lobby and debauching of politics at the national capital.

If the policy of making reciprocity treaties is recognized, the greatest temptation will be created for spending fabulous amounts of corruption money to secure treaties. If foreign nations want to secure special privileges they will naturally send their agents well equipped to induce the political bosses to "push through" the reciprocity treaty. It would soon be a mere matter of how much the beneficiaries would spend, and this would lead to still more corruption by compelling those who are scheduled for sacrifice to "pay up or die," just the same as it is now among candidates who desire nominations; they must pay the price to the bosses or pass on to the political cemetery.

A glimpse of this appeared in the recent agitation regarding Cuba. Not only were immense sums spent in the



lobby by those interested in that deal, but even the government officials took money from the public treasury for the purpose of political propaganda. If this could be done under an administration like the present, what may we not expect when incomparably bigger prizes are in sight?

The resolutions of the Tariff League are a sound, wholesome declaration for the honest and fair application of the protection doctrine. It makes an elevated platform upon which the republican party, if it is honestly a protection party, ought to and ultimately must stand. If the present administration insists upon running counter to this preeminently sound republican policy, and falls a prey to the enemies of protection under the delusion of reciprocity, it may expect to lose the confidence and ultimately receive the opposition of the protection forces of the nation. It would be difficult to imagine a greater misfortune to the country at this time than a division of the republican party which would put the administration in the hands of the enemies of protection. That would be the guarantee of an industrial disturbance and perhaps a protracted period of panic and disaster.

## SYMPTOMATIC PARTIES

HENRY W. WILBUR

The persons sitting in darkness fancy that they saw a great light in the midst of the election returns which told the figurative story of the political battle of 1902. In these returns there looms up a greatly increased vote for the two wings of what passes in the partisan vernacular of the country as the socialist party. The socialist vote in the nation at large probably aggregates 400,000, and this is supposed to portend the speedy abolition of what is called capitalism. A wail of terror has gone up from theological sanctuaries and editorial sanctums because of this increased socialist vote, as a portent of speedy social disruption.

It is barely possible that it is not a great light, but a mere will-o'-the-wisp that hovers about the political atmosphere in these post-election days. A review of our political history and a study of the facts may show that the present threatened irruption of socialism is simply a symptom of existing conditions, and not a sign of impending revolution.

Our country has not been a stranger to symptomatic parties in the past, but they have had their day and ceased to be. The greenback party of the seventies, and the populist party of the nineties, were samples of the symptomatic political organization. Both the populist party and the greenback party emphasized and crystallized the discontent at certain prevailing industrial and economic conditions. Time demonstrated that neither of these parties possessed or embodied any remedy for the real or imaginary ills it antagonized and proposed to remove. Offering a mere opportunity for the citizen to register his discontent, while ignoring the causes of unsatisfactory conditions and refusing to study the case as the only way to arrive at a real remedy, is the peculiar characteristic of a symptomatic party. Both of the parties mentioned in the main voiced

the dissatisfaction of a class, and the influence they exerted and the following they secured demonstrated the local and not the general character of their issue.

The greenback and populist parties in the main represented the revolt of the agricultural class against depression and disaster which followed as the result of abnormal land-booming schemes, or accompanied unprofitable production and unsatisfactory distribution of farm products. Nothing so clearly demonstrates the rural and semi-rural following which these symptomatic parties received as does an analysis of the votes cast for them. In 1876 the greenback party cast 81,737 votes, only about 17,000 of them being cast in states containing large cities. Four years later the vote was 308,578, largely cast in the agricultural states, while the vote received in the states containing a large urban population came almost entirely from the rural sections of such states.

The union labor party of 1888 was the John the Baptist of the populist party which four years later made a phenomenal showing, and paved the way for that political disorder known as Bryanism. The national vote of the symptomatic party of 1888 was 146,935. In ten states it received no vote at all, while its strength was even more distinctly rural than was the case with the greenback party.

The populist party originally was the partisan political expression of the issues and interests represented by the farmers' alliance, an organization of agriculturalists which had a mushroom growth in the states of the West and South, and reached its most vigorous and radical expression in a convention which met in Ocala, Florida, in the winter of 1890. The populist party had a rapid growth in several states, and entered the presidential contest of 1892 with a vigorous organization, and a confidence which surprised the old party politicians. It polled 1,040,000 votes for its candidate for president, James B. Weaver, of Iowa, who had been the greenback presidential candidate in 1880. Analysis shows that sixteen distinctively rural and agricul-



tural states contributed 810,530 of the 1,040,000 votes cast for Weaver, while the six populous and manufacturing states of New York, Pennsylvania, New Jersey, Massachusetts, New Hampshire and Connecticut all told gave the populist presidential candidate but 30,400 votes.

This brings us to a consideration of that symptomatic party which is now disturbing the country politically and economically. Socialism first appeared as a partisan political force in the United States in the presidential election of 1892, when the socialist candidate for president polled 21,232 votes. Of this number 17,956 were cast in New York state, and the bulk of them in New York city. Only six other states gave the socialist candidate any support whatever. In the election of 1896 the socialist vote was 36,373, twenty states helping to make the total. New York this time contributed 17,617 of the whole number, the principal part of the votes cast in the other states having been received in cities.

In 1900 the socialists divided into two camps, one being represented by the socialist labor party, which appeared in the two previous presidential elections, and the other by the socialist democrat party, led by the immortal Debs. The socialist labor party polled 39,757 votes, and Debs received 86,686. As in previous elections the vote demonstrated that the socialist movement has its strength almost entirely in cities. In this respect the socialists are the exact opposite of the populists and the greenbackers. Of Debs' 86,686 votes, 52,578 came from the states of New York, Illinois, New Jersey, Ohio, Pennsylvania, Massachusetts and Missouri, and eight cities in the states named cast 23,182 of the whole number. Of the 39,757 socialist labor votes cast in 1900, 24,715 were received in the states of New York, New Jersey, Pennsylvania, Rhode Island, Ohio, Massachusetts and Illinois, and eight cities in the state of New York contributed 10,000 of the whole party vote.

The socialist vote of New York at the late November election tells the same story. The socialist democrat vote

in the state was 23,370, and the socialist labor vote 15,886. Seven counties containing large cities cast 19,830 of the total vote received by the Debs party, and the same counties contributed 12,071 of the total socialist labor strength. To put it another way, in fifty-four counties of the commonwealth there are only 3,815 adherents of the socialist labor party, and in the same fifty-four counties the socialist democrat party has only 3,540 followers. It appears that the socialist vote in the country at large was just as urban in its character as it was in New York. In the cities of Massachusetts, Connecticut, Rhode Island, New York, and the states of the middle West, the socialist strength is massed.

It will thus be seen that while populism and greenbackism were symptoms of the adversity which at particular periods affect the tillers of the soil, socialism is a symptom of prosperity not satisfactorily diffused. All three parties, however, have furnished the avenues through which the voice of dissatisfaction and discontent is poured into the ears of the government by way of the ballot box. In cities the dividing line between wealth and poverty, prosperity and penury, is more sharply drawn than in the rural districts. In the city the range of wants is wider, and ungratified legitimate desire more impressively annoying than in the country. It is therefore perfectly natural that political parties which are symptoms of existing social envy, or the unrest which is characteristic of men possessing a desire for a higher standard of living, and who see no plain way of immediate satisfaction, should receive support almost entirely in cities. It is easy to recognize the symptom and sympathize with the discontent, without seeing a remedy where there is none.

The increased socialist vote is simply symptomatic of a condition, and from it those who have the power of apprehension and comprehension may learn a lesson. We have a large and growing class in this country, constantly being recruited by importations from over the sea, that will always take the shortest cut to an expression of dis-

satisfaction with bad or misunderstood conditions, and vindictiveness toward those who it is justly or unjustly supposed are responsible for them. The exigencies of the coal strike, and certain matters connected therewith, have wonderfully though differently impressed all classes of society, and have intensified the prejudices of the superficial and the poorly informed to a marked degree. Baer's doctrine of the divine right of the holders of capital to possess the earth, without a doubt helped to increase the followers of the symptomatic party of 1902. The lesson which the believers in the evolution of society rather than its revolution must learn is plain. It is the lesson of justice and enlarged opportunity for the masses of men, no matter what may be their part in the world's work.

Three decades of American history have taught us that symptomatic parties are not elements of danger when the orderly forces of society go about the settlement of industrial problems along sound scientific and economic lines. The greenback party had no remedy for the financial troubles of the seventies; it was simply a sign. Populism, from free silver up or down, was no panacea for the economic ills of the nineties. Yet it was characterized by a confidence and a pretence as an economic solvent which alarmed the cautious by its audacity, and allured the impulsive by its assurance. Note this exclamatory sentence from the populist platform of 1892: "That the union of labor forces of the United States this day consummated shall be permanent and perpetual."

The spirit of revolution was the breath of the populist's nostrils. With an air of injured innocence he wailed his sense of injustice in the ears of the disgruntled and discouraged, and with the bravado of an adventurer he threatened the citadel of government, which he declared was the throne of plutocracy. The writer heard a noted populist leader in the winter of 1893 claim that his party had been swindled out of thousands of votes in the preceding election. He declared that in 1896 the populists would elect their president, and if the cohorts of the money power at-



tempted to count them out he would lead an army to Washington, if necessary, to put the president of the people in the white house.

In spite of these promises of permanency and prophecies of success contained in the populist platform and the declaration of one of its national leaders, that symptomatic party within four years was practically disrupted, swallowed up, not in victory, but in the capacious maw of a Bryanized democracy. Thus did the party which claimed to have a remedy for commercial disaster cease to do business even as a symptom.

History may be expected to repeat itself. Whenever the symptomatic party of 1902 assumes dangerous proportions, and the number of its discontented followers may be necessary to the victory of some larger party, another act of political absorption may take place. The socialist coal plank in the New York state democratic platform is only a hint of the bidding which may be indulged in when the symptom of socialism becomes sufficiently formidable.

No party which appeals in the main to a class, which gets its support from localities and not from the country at large, can be depended upon to either discover or apply real remedies for economic disorders. It may be that a revolt against despotic capital and tyrannical capitalists will result in localized and temporary resorts to some form of socialism, but the common sense of America is not likely to supplant that intelligent competition and persistent struggle by which the race has secured its social and economic development, in order to try a revolutionary experiment.

Learning well the lesson taught by our successive symptomatic parties, we shall see that the only way to remove the dangers which threaten society, and the conditions which work discontent, is to remove their causes. This involves the diffusion of knowledge, the spread and practical application of economic truth, and the bringing to bear upon the issues and problems of the times the sober judgment of the people rather than their superficial prejudices.

## FORESTRY LEGISLATION IN THE UNITED STATES

JOHN F. LACEY, M. C.

In the January number of this magazine a supplementary article embracing a synopsis of state and national forestry legislation was promised.

The bureau of forestry, in the department of agriculture, by George B. Sudworth, has prepared a manuscript bulletin quite covering this subject; access to this material has been courteously accorded by the bureau, and has been used in the preparation of this abstract of forestry legislation, state and national.

### FEDERAL LAWS

Corresponding to the laws passed by the different provinces were a number of early statutes passed by the national government. These, like the colonial laws, were in accordance with the European tradition and were prompted by a concern for the perpetuation of naval supplies when our fleets were built of wood.

This early legislation of 1799-1831, for a special need, now long passed away, may be looked upon as a side issue, and as having no place in the true progress of forestry in this country.

The first of these laws, passed February 25, 1799, was for the purchase of timber or lands bearing timber suitable for ship building, and \$200,000 was appropriated for this purpose. Under this and supplementary laws, passed in 1817, 1820, 1822, 1825, 1827, 1828 and 1831, about 244,000 acres were reserved in the southern live oak region, live oak being the timber most valued for ship building. Two of these laws were protective in character, that of 1822 being for the protection of timber lands in Florida, and that of 1831 for the protection of timber on naval reserves or public lands. This second law imposed a penalty of fine and

imprisonment for the unlawful removal of such timber, and marked the culmination of the first period of forestry legislation. Later, construed by the supreme court (9 Howard, 351) as applying to all public timber lands, it was, until 1897, the only law passed for the direct protection of public forests. The inadequacy of a law thus designed for the transitory needs of a wooden navy is most manifest, as it had no consideration for later conditions and for the settler's requirements in the development of a great country.

Before saying more of their defects it will be well to examine some of these land laws. The homestead law which was passed in 1862, and grew out of the preemption law of 1841, is one for which modification is frequently urged. It is true that under this law enormous quantities of the government timber land have been fraudulently obtained, so that the object of the law, agricultural settlement, is often defeated.

Laws also concerning the disposition of public timber were those making grants to railroads, the first of which was passed in 1850, upon the sudden and great extension of the railroads of this country. From even a superficial reading of the grant of 1875, which allowed timber to be taken for constructive purposes from public lands, one may easily surmise the liberal interpretation put upon the law, and the enormous sacrifice of timber which resulted. Congress evidently regarded the building of new railways as more important than the conservation of the timber.

Under laws passed in 1876 and 1883 the government lost most of its valuable timber lands in the South. Contrary to the usual policy of disposing of lands to settlers at \$2.50 an acre, the land, in accordance with these laws, was sold at private sale at \$1.25 an acre.

Another law tending to defeat the government interest in regard to its timber lands was passed in 1880. But this, as it was enacted to condone trespasses committed prior to March, 1879, is of little moment now. It provided that persons against whom suits were pending might enter lands



trespassed upon, and by paying accrued costs, purchase the lands at the reduced price of \$1.25 an acre; whereupon suits for trespass were to be discontinued.

Of more importance are the better known mineral act and timber and stone act, both passed June 3, 1873. The first of these acts allowed trees on mineral lands to be cut for building and other domestic purposes by residents of Colorado, Nevada, and of certain designated territories, as well as of all other mineral districts of the United States. The timber and stone act provided for the sale at \$2.50 an acre of timber lands unfitted for agriculture, in California, Oregon, Washington and Nevada, the amount to be thus obtained by each person or association being limited to 160 acres. On August 4, 1892, this act was extended to all the public land states (but not to the territories). While these laws were designed to aid the settler, it is claimed that their effect has been rather to defeat this purpose, and to benefit lumbermen and wealthy corporations.

Complications under these acts were not lessened by the so-called "permit act" (26 Stat. 1093), in regard to the use of timber on non-mineral public lands in certain states and territories. This act was passed March 3, 1891, and was designed for the encouragement of agricultural settlement. Its provisions were extended by an act of February 13, 1893 (27 Stat. 444).

In 1896 a bill was passed to open forest reservations in Colorado for the location of mining claims.

A class of laws different in character from all these were the timber culture laws, now repealed. These were in accordance with an early interest in forest cultivation manifested in a number of acts passed by different states to encourage tree growth. The timber culture laws were passed as an offset to the recognized destructive operations of other land acts, and were designed to encourage forest plantations on western prairies. The first of these acts, passed March 3, 1873, and granting 160 acres at the expiration of ten years to a person planting 40 acres to timber, was amended by several later laws enacted 1874-1878. As

it was soon found that the timber culture laws, like the homestead law, served as an opportunity for fraud, and that they tended toward no sensible increase of the forest growth of the country, their repeal, after having been long demanded, was at last effected in 1891.

In contradistinction to these land laws was a law of 1877, which played a real part in the progressive forest policy thereafter destined to be made. That there existed along with the general indifference in regard to forests some realization of the needs of a different course of action, is manifest by the many bills introduced in congress for this purpose. These had in contemplation every sort of action in regard to forest protection, but, for the most part failing to pass, served as the record of a long struggle.

The law of 1877 was the first real move made by congress toward the establishment of a forest policy, and provided for the appointment of a commission to inquire into the matter of forest destruction and the necessary measures to prevent it. Some previous agitation of the matter and the revelation made by the census of 1870 as to the real limitations of the country's timber supply had prepared the way for the final passage of this law. It resulted directly from the action taken by a committee of the American Association for the Advancement of Science in 1873, and the memorial they presented to congress. Although a bill twice presented by the committee failed to pass, the same bill, again introduced in 1876, was made a law in August, 1877.

Under this law Dr. F. B. Hough was appointed by the commissioner of agriculture to report upon the forest conditions of the United States. After this office had been continued for some years a special appropriation was made, and in 1881 the division of forestry created in the department of agriculture. The increase in the appropriations recently made for the work of the bureau of forestry serves as an indication of the increased importance assumed by forestry in the United States. In 1899 the appropriation for the division of forestry was but \$28,520.

In 1900 this was increased to \$88,520, and in 1901 to \$185,440. At present the bureau has become the center of the forest interests of this country, and its actively increasing influence has been shown in applications made on the part of private owners since October, 1898, for assistance and instruction in the management of 4,966,874 acres. In addition to the assistance thus given to private owners, the bureau is charged with the preparation of working plans for the United States forest reserves.

The establishment of these reserves in 1891 was the second great step taken in the national forest history of this country. This was done only after long and repeated efforts had been made. The act of 1891 was a pivotal one in our national forestry legislation. A bill first drawn up by the American Forestry Association and presented to congress in 1888 provided for the reservation of all public timber lands unsuitable for agriculture. Such a measure after continuous failure was finally enacted. This was done by a clause attached to the bill for the repeal of the timber culture laws, which allowed the president to proclaim from time to time the establishment of forest reservations. Seventeen million five hundred thousand acres were thus proclaimed previous to 1894.

On the other hand, no law existed for the administration of these reserves, although unsuccessful efforts had been made for legislation towards that end. In order to overcome the danger incident upon the withdrawal from all use of a large amount of unprotected land, the National Academy of Science, at the request of the secretary of the interior, published in 1897 a report upon a national forest policy for the United States. In this report the creation of thirteen additional reserves, with a total area of over 21,000,000 acres, was recommended. These reserves on February 22, 1897, were accordingly proclaimed. Unfortunately, the boundaries of these reserves were not sufficiently guarded so as to exclude lands best adapted to agriculture, and much prejudice against these reserves was excited. As a result, the reservations more recently proclaimed were,



with the exception of those in California, suspended until March 1, 1898.

The passage of the bill suspending these reservations, which was passed June 4, 1897, marked another epoch in United States forest legislation. This bill contained important provisions for the administration of forests, and supplanted for the first time, by more adequate measures of protection, the crude protective measures, already noted, of the law of 1831. Until the passage of this earlier law the public timber lands were under the care of the secretary of the navy, but were then transferred to the treasury department. In 1855 they were placed under the control of the department of the interior.

The act allowed the secretary of the interior to make rules and regulations for the administration of the public forest reserves. The law, in addition to other provisions, contained provisions for the sale of timber in the reserves, and for the use of timber and stone by settlers, miners, etc., for mining, building and other domestic purposes. It allowed settlers to exchange tracts taken up within the reservations for lands open to settlement elsewhere. It also provided that land better adapted for other than for forest usage may be restored to the public domain. Several amendatory laws of the law of June 4, 1897, have been passed, but since 1897 but few laws relating to forest reserves have been passed. In addition to a number of local laws enacted at different times, a law in regard to the leasing of certain portions of the reserves was passed February 28, 1899 (30 Stat. 908).

Inadequacy of law, together with insufficiency of appropriation for the protection of timber lands, explains the devastation to which they have been subjected in the past. Until 1872 no appropriation whatever was made for their protection. In that year \$5,000 was appropriated for this purpose, and annually thereafter for five years, until in 1878 an increased appropriation of \$25,000 was made. After that the amount was increased and diminished.

When the law of 1897 provided for the administration

of the reserves, there was available for this purpose but \$18,000. The work nevertheless was then organized and a few agents employed in the Pacific coast states. A set of rules and regulations, which have ever since been in force, was also published that year. For the year 1898-1899, when the forest interest had gained in favor, the first sum specially appropriated for the administration of forest reserves was made. For the next year this sum was increased to \$300,000, which it has since remained. As soon as the appropriation permitted, active administration of the reserves was begun and the system instituted which has since prevailed.

After that the amount was successively increased, diminished, and again increased. Administration of the reserves, in accordance with the law of 1897, could not be at once begun because of the lack of available funds. In 1898, when the forest interest had gained in favor, the appropriation for this purpose was increased to \$75,000. In 1900 it was again increased to \$300,000, at which it has since remained. As yet the appropriation for this purpose is inadequate, so that the reserves are now insufficiently protected. Upon the expiration in 1898 of the term for the suspension of the forest reserves, they were again proclaimed, opposition to the reservation system having in the meantime been largely overcome. Since then they have steadily gained in favor and number, until during the last year thirteen new reserves were established. With these, their total number was increased to fifty-four, and their total area to more than 60,000,000 acres. It is undoubtedly true that the liberal lien land provisions have stimulated interested parties to urge the extension of these reserves in many cases.

As already indicated, the work in connection with these forest reserves is distributed among several governmental departments, the general land office of the department of the interior being charged with their management, and the bureau of forestry of the United States department of agriculture with the preparation of plans for the disposal

of their timber. Still another department is, at least temporarily, concerned in this work. This is the United States geological survey, which in accordance with the law of 1897 is now carrying on the survey and classification of forest and other lands in the federal reservations.

A consolidation of these various agencies will no doubt be made in time, and further legislation for the better management of these great reserves.

### STATE LAWS

In several New England, as in other of the earliest settled states, colonial laws were passed for forest protection. These were of European inheritance, but were little regarded by the colonists, who began a course of forest destruction long persisted in by their successors.

*Maine* was one of the earliest of all the states to define a forest policy, and on February 20, 1872, passed a law to encourage tree planting (chapter 76, 1872). This state on March 25, 1891 (Ch. 100, laws 1891), appointed a forest commission and adopted a forest fire warden system, founded upon the one established by New York, while \$400 has been annually appropriated for forest work. No other important action has been taken, although in 1901 (Ch. 278) slight amendments were made to the forest fire law.

*New Hampshire.* In New Hampshire, after the establishment of two temporary commissions, a permanent one, on March 29, 1893, was established in contemplation of a state forest reserve. The law also contained provisions for the suppression of forest fires in accordance with the Maine plan. This law was afterwards (in 1895) amended in points where it had proved inadequate. But little else has been done for New Hampshire forestry, where, however, a number of laws have been passed for the protection of trees.

*Vermont.* Despite the appointment of a commission of inquiry in 1882, but little has been done in this state. A fire law of the old order is found. A new interest in



forestry in this state has been evidenced by a preliminary study of the forests made in cooperation with the bureau of forestry in 1901.

*Massachusetts.* Although in Massachusetts a number of fire laws have been passed at different times, during several centuries, this state is not yet in possession of a progressive fire law. In addition to these and trespass laws, laws also exist for the encouragement of tree growth, an ancient law of this character having been brought up and slightly amended in the legislature of 1901 (Ch. 58). In 1890 the state board of agriculture was ordered to inquire into forest matters of the state. A striking feature in Massachusetts is the encouragement given to communal ownership of forest tracts, and the work being carried out by the Metropolitan park commission is significant, as are also a number of private plantations that have been made in this state.

In *Rhode Island* and *Connecticut* but scant attention has been given to forestry. In both, laws of the old order to prevent fire and trespass are found. In Connecticut, however, a law was passed in 1901 (Ch. 175) for the appointment of a state forester, and for the purchase of land in contemplation of a state park.

*New York* early distinguished itself by progressive forest legislation. In 1885 the first important forest law was passed. This provided for a forest commission and also for a forest preserve. Then also the fire warden policy was outlined that has ever since served as the basis of the fire law in that state. Following other legislation tending toward the establishment of the state's elaborate forest policy, an act was passed in 1892 for the creation of the Adirondack Park. In 1893 the forest commission was increased in power and number of members; and in 1895, in place of this commission, the fisheries, game and forest commission was established. The following year the forest preserve board, for the purpose of acquiring land in the Adirondack Park, was also established. In 1901 the last of these boards was abolished and the second reorgan-

ized. Another important change then made was the authorization of a chief fire warden, expert foresters, and superintendent of forests. Hence, in New York officers are made directly responsible for the execution of the forest laws; and in this state forestry has become an established branch of the public service, while the state holdings amount to about 1,370,928 acres. In 1898 the first school of forestry in this country was established by the New York legislature, and an experimental tract of 30,000 acres has been set aside for the use of this school. The Empire state has taken the lead on this important subject.

*Pennsylvania.* While laws in the interest of forest protection were passed in Pennsylvania from an early date, these laws were inadequate; and virtually nothing was done until 1897, when, by the passage of a number of important laws, this state stepped to the front in the forest movement. At that time, in addition to adequate provision for the suppression of forest fires, laws were passed for the establishment of forest reservations. One of these laws was for the purchase of three reservations of not less than 40,000 acres each at the head of the principal river systems of the state; the other was for the acquirement of land sold for the non-payment of taxes. Under these, and later legislative acts, Pennsylvania is now actively acquiring land, and possesses at present about 400,000 acres.

*New Jersey.* The chief attention given to forestry in New Jersey has been in connection with forest fires, the evil effects from fire being very great in this state. A number of laws for the prevention of fires have been passed, but insufficient provision has been made for their enforcement. In 1894 a law was passed authorizing a state geologist, with the assistance of a botanist, to investigate and report upon lands suitable for a state forest reserve.

*Southern States.* In the southern states but little legislation in regard to forestry exists. Fire or trespass laws of the old character, to prevent injury to forests, have been passed by all these states, although in Louisiana, with its great forest wealth, merely a local and no general fire law

can be found. Aside from these, but few laws in this region have to be noted; and these few arise from the new interest in the lumber industry consequent upon the decline of the northern lumber supply. Further evidence of this new interest is seen in bills which have been brought up, but which failed of passage, in the legislatures of several southern states, as those recently introduced in the legislatures of West Virginia and Maryland for the establishment of forest reserves in those states.

*North Carolina* took the lead among southern states by the provision for an investigation of the timber and mineral resources, that was made in an act of 1891 for the establishment of a state geological survey.

*West Virginia*, likewise, in a law passed on February 26, 1897, for a geological and economic survey, made provision for an examination of forests; and *Maryland* joined in this movement by the investigation recently made of the forest resources of several counties by the Maryland geological survey in connection with the bureau of forestry, United States department of agriculture.

*Appalachian Park.* Interest in forestry in the South now centers around the creation of a forest reserve in the southern Appalachians, and North Carolina, Virginia, South Carolina, Georgia, Tennessee and Alabama have recently ceded lands to the United States government for this purpose.

*Minnesota* has made substantial progress in forestry, and in 1895 adopted the fire warden system which has ever since made up the forest policy of this state, and which is similar in construction to the New York law. Minnesota was first, however, in making one officer directly responsible for the execution of the law. In 1899, in contemplation of a forest reserve, a state forestry board was established. In 1901 (Ch. 335) an effort was made for the reservation of land, but in great measure the purpose of the forestry board was defeated in this respect by a certain provision of the law, under which but little land owned by the state could be included in a forest reserve.



*Wisconsin* was one of the earliest states to appoint a commission to investigate forests, this committee having made a report as early as 1867. In 1895 it adopted measures similar to those taken by Missouri for the suppression of forest fires; and in 1897, and again in 1901, amended its forest fire policy. In 1897 a commission was appointed for the purpose of devising a plan for the establishment of a reservation system. Although this action resulted in an investigation of forests, which was the first systematic investigation officially made by any state, the work of forest protection has not proceeded in Wisconsin, because of the lack of appropriation for the purpose.

*Michigan* was early in possession of a forest commission, and in 1899 established a permanent commission and made provision for the withdrawal of land. In accordance with this, lands in Roscommon and Crawford counties were set aside in 1901.

*Middle West.* Legislation for the encouragement of tree planting is characteristic of the Middle West. *Nebraska*, in which arbor day originated in 1872, is notable for such legislation. In addition to laws passed in Nebraska, laws for the encouragement of tree planting have also been passed in Indiana, Illinois, Iowa, Missouri, Kansas and Oklahoma. Several territorial laws of this kind were also passed in Dakota, while North Dakota has also passed such law. In all these states fire laws of the usual character have been passed. Besides these laws, but few laws have to be noted in this region. *Ohio* is conspicuous in the United States for early action in regard to forestry, and a state forestry bureau was there established in 1885; this, however, passed out of existence upon the publication of its annual report for 1899. In *Kansas*, in the interest of tree planting, a forestry commission was appointed in 1887. *Indiana*, also, created in 1901 (Ch. 49) a state board of forestry, as a step towards the establishment of forest reserves. Action taken by *North Dakota* has also to be noted, as a school of forestry was provided for in the constitution of the state. A state superintendent of irrigation

and forestry, on March 7, 1891, was also established, but this office was abolished on February 20, 1901 (Ch. 176).

*Western States.* Among western states, most has been done by Colorado and California. Colorado was the first of all states to embody in its constitution a clause for the protection of forests, which it did in 1876. In 1885 a forest commission was created by an act "relating to woodlands and forestry," and later an appropriation was made to carry on this work. In 1897 the department of forestry, game and fish was created, and in 1901 an important law was passed for the purpose of throwing all possible precautions around timber cutting, and for the purpose of preventing forest fires. Less important laws have also been passed at different times to protect trees, to encourage planting, and to prevent fires. *California.* On March 3, 1885, a state board of forestry was established in California; but owing to political complications this board was abolished on March 23, 1893, and the experiment stations established by the board were turned over to the University of California. A number of laws have been passed in California to prevent fire and theft of timber, and great interest is now being manifested there in the preservation of the wonderful forests of the state. In evidence of this is the appropriation of \$260,000 lately made by the California legislature for the purchase of a state park in Santa Cruz county. *Oregon.* In addition to its law to prevent forest fires, Oregon, on February 27, 1901, passed a law authorizing the appointment of wardens to protect forests and game.

No other notable legislation is found in the western states. Laws of the usual character to prevent fire and trespass exist in Idaho, Nevada, Montana, Arizona and New Mexico. Wyoming and Utah also possess laws of this kind, and, in addition, both these states have passed laws for the encouragement of tree planting.

## TO SOUTH AFRICA ON A MULE TRANSPORT

WALTER STERLING BRIDGEMAN

On the 20th of last May seventy-five muleteers boarded a tugboat at the foot of Julia street, New Orleans, to be transported to the British steamboat Mount Royal, which, loaded with a thousand horses, lay at Port Chalmette, a few miles down the river. The word "muleteer" is of comparatively recent coinage, adopted since the beginning of the Boer war, to designate a care-taker of mules and horses purchased in America for the British cavalry or artillery service on the long journey of these animals to South Africa.

The Mount Royal's contingent of muleteers was an average assortment of this new genus homo—or hobo—representing a variety of classes. Among them were some who intended to try their fortunes in the Transvaal, and had become muleteers as a cheap way of getting there. There were also some young men capable of filling better jobs than tending horses, but with whom time had dealt rather harshly and ungenerously in dispensing desirable positions—perhaps through faults and indiscretions of their own—including clerks and mechanics and an impecunious count who had neglected to recoup his fortunes by an invasion of New York's "400." Also youths with comfortable homes and nothing to do, who wanted to try "life on the ocean wave" for whatever adventure and excitement might be gained by the trip; the ever restless "hobo," caring little whither he went or when he returned, if a change from immediate surroundings was in sight; the colored brother whose aspirations were satisfied if he had little to do and plenty to eat,—doomed, however, to bitter disappointment in the latter respect at least; and a few who found it convenient to "make themselves scarce" for a time in their usual haunts. Altogether it was a motley crowd, representing many conditions, who took charge



of the consignment of horses for King Edward's army in far off Africa.

The duties of a muleteer are not particularly laborious, and consist in feeding and watering the horses four times daily, "mucking out" the stalls once a week, and pulling up hay and grain with block and tackle every fourth day, the latter work, however, requiring muscular arms and a strong back. The men have several hours daily in which to pursue their own devices for killing time, which consisted mostly of novel reading and card playing on the part of the whites, while "crap-shootin'," with tobacco and matches for stakes, were the favorite pastimes of the blacks. Among the colored muleteers was a Baptist preacher, loud of voice and emphatic of gesture, who was always called on to preach Sunday nights, thus providing variety of entertainment, if not spiritual consolation, for the men. Brother Jeremiah Johnson's discourses were always full of vim and fire and invariably ended with the pertinent observation: "I'm not in the habit of taking up a collection, but if any one present deems these services worth anything, I'll be glad to receive his donation," and forthwith would pass his hat around. Brother Jeremiah was a genuine Christian, and was respected and liked by every man on the ship, and he would perform four men's work on Saturday to avoid doing more than was absolutely necessary on Sunday. His object in becoming a muleteer was to reach Africa, intending to do missionary service among the tribes of the "dark continent." But his commendable plans were frustrated by his inability to land at the South African ports; and he found himself, moreover, burdened with a big stock of tobacco which he had laid in for distribution among the natives to gain their good will and to pay them for any services they might render him. No one will gainsay the good brother's intentions, but his plan of winning souls with tobacco for a bait is rather a novel one.

The articles under which the men signed for the trip specified "return passage to the United States or Canada," but this little clause, afterwards of such vast moment, was

a minor consideration with the muleteers in the initial stage of their long journey. The "grub" was moderately plentiful and wholesome; the shipping agent had advanced them a good supply of tobacco, for which he had not forgotten to charge two prices; their credit was good with the ship's steward for rum and tobacco so long as they had any money coming to them; their home would be on the Mount Royal for two months at least,—so, from their gauge of reasoning, what was the use of meeting trouble half way? Besides, New Orleans wasn't an inviting place to stay in, anyhow—some of them had seen pretty hard times there—and the more reckless ones said they didn't care where the ship landed them, just so it wasn't in New Orleans. But it was a somewhat different tune when they had been out of sight of land for several days, and food had become meager in quantity and poor in quality, consisting principally of "spuds" (potatoes) and "salt horse," with an occasional mess of beans half cooked in the brine of the sea.

The boys had seen nothing but "water, water everywhere" for a month, so it was with great satisfaction and enthusiasm that Table Mountain, which overlooks the city of Cape Town, appearing like some mammoth sentinel guarding its interests and destiny, loomed up to view on the morning of June 23rd. The Mount Royal had ploughed a course nearly 8,000 miles long through two oceans.

On June 25th the ship anchored in the harbor at Port Elizabeth, some 350 miles farther around the coast. The little city presented a most attractive and inviting appearance nestling among the hills and peaks which tower over Algoa Bay. Here the horses were unloaded, the animals being hoisted from the decks and lowered over the sides of the vessel to a lighter by means of a sling attachment which was passed under the barrel of the horse and caught by hooks on top, with strong ropes drawn tightly around the legs of the animal to prevent him from kicking himself loose or falling out of the sling when in mid-air. Horses, like men, are apt to become ill-tempered from long confinement and lack of exercise, and these being also thoroughly

frightened by the preparation for their aerial journey, resisted such unusual attentions with all the vehemence and force they could throw into their voices and legs. But the more the animals plunged and reared and kicked the better satisfied seemed the Kaffirs and Zulus who, quick of eye and agile of limb, handled them with rare judgment and dexterity. As they perform this work their movements rival in rapidity those of the shrieking and struggling horses, whose teeth and heels are striking out in all directions, the men meanwhile swiftly dodging and ducking, and resembling somewhat big black rubber balls, bouncing over, under and around them.

Besides unloading the horses, the Kaffirs and Zulus were employed in removing from the ship the hay and grain which had not been consumed on the trip, and during their short stay on the vessel certain characteristics and proclivities of these natives of "sunny Africa" were brought prominently to the surface. The Kaffir is a finer specimen of physical manhood than his Zulu brother, and his features are lightened up with more intelligence. But whether he be Kaffir or Zulu he is a laughing, rollicking, happy-go-lucky sort of fellow—at least so long as his savage passions are not aroused by real or imaginary imposition. One very striking characteristic is his generosity and appreciation of kindness shown him. In return for spoiled food which the muleteers were unable to eat, but of which these negroes partook so voraciously that only positive illness compelled desistance, they insisted on sharing their tobacco and coins with the donors. While they give without stint, they also take without compunction. With an adroitness that baffled detection they appropriated wearing apparel belonging to the muleteers, and other articles that had not been carefully concealed. Another convincing evidence of their "ways that are dark" was produced in the case of five muleteers who desired to remain in Africa, but were refused permission to go ashore on account of martial law which was then being enforced. After many futile attempts to reach shore with improvised rafts which refused to float



without being ballasted with hay, and then declined to support the weight of five men and their luggage without sinking, a bargain was made with the Kaffirs and Zulus to transport them to land on a lighter. Oh, yes, they would land them, and out of the reach of provost guards, too! The lighter was boarded on a pitch dark night, after a quantity of baggage of considerable value had been lowered to the Africans and deposited in receptacles known only to themselves,—and in fifteen minutes after the start was made those muleteers found themselves landed right in the arms of provost guards, who promptly arrested and imprisoned them! And a diligent search failed to reveal the location of their belongings!

On the 29th the Mount Royal started on the return trip, the objective point being St. Vincent, Cape Verde Islands, which was reached on July 16th, and where orders were received the same day to proceed to Barry, Wales. In a few minutes the Mount Royal was steaming for that port, which was reached ten days afterwards. Barry is famed for the great dry docks located there. These are the product of private enterprise and are wonderful examples of ingenious conception and execution. The city dates its existence from the completion of these docks fourteen years ago, and is modern and up-to-date in every respect. The streets are regularly laid out and well paved; and the houses are attractive two and three-story brick structures, uniform in size and style and architecture, the more pretentious having conservatories along the sides and pretty little flower-dotted plats of ground in front.

The men were paid off on the afternoon of the 26th and allowed to go on shore. This was a feature which worked a wonderful change in their feelings and dispositions. From half-starved, imprisoned beings they were transformed into men of importance and means who soon owned the entire city of Barry and several leagues of surrounding country besides. It was not long before Barry was explored to their entire satisfaction, and then a trip was made to the more important city of Cardiff, about eight miles distant.

Anyone acquainted with the characteristics and inclinations of the average muleteer knows that he represents a peculiarly strenuous type, and that his energies were industriously devoted to that essentially American pastime of giving the towns he visited a most vivid coloring. "Scotch rye" appealed to him strongly, and he was soon prepared to lick the entire police force. "Hang John Bull on a sour apple tree" became his favorite song; and "Three cheers for Kruger and the Boers" was another way of evincing his enthusiasm. "It's no wonder you people whipped the Spanish, because you all *think* you can fight," remarked a policeman who had taken charge of an obstreperous muleteer for safe keeping. The larks and escapades of the muleteers will not be told in these chronicles, but left to the imagination, the most vivid of which could scarcely exaggerate them. What has been written in this connection does not in any sense apply to all the men who shipped as muleteers on the Mount Royal.

On the afternoon of the 30th the men were transferred to the steamer *Melville* and carried to Swansea, forty miles distant from Barry, where they remained until August 7th. Swansea is picturesquely situated on a mountain side, which overlooks Swansea Bay. Many of the streets rise in terraces above each other, from the uppermost of which is obtained a splendid view of the entire city and the verdant and highly cultivated fields beyond. At night the streets present an exceptionally gay and attractive appearance. The Welsh are an open-air loving people, who delight in spending the long twilight hours on the streets of their cities and towns. So universal is this custom that one finds it difficult to make his way through the crowded main thoroughfares between the hours of 7 and 11 P. M. But whatever inconvenience he may experience in this regard is more than compensated for by the moving, shifting scenes around him, in which laughing, bright-eyed, rosy-cheeked matrons and maids are central figures.

One feature of life in Wales which strongly, and sometimes uncomfortably, impresses the stranger is the climatic

conditions he finds there. Heavy underwear and outside clothing of moderate weight can be worn with comfort the year round, and to see people with overcoat collars turned up over their ears and hands encased in woolen mittens, in the middle of July, rather conveys the idea to a person from a warmer clime that nature is playing pranks with the season.

Another oddity which will not escape the notice of an American are the few native family names. A visit was made to a public burying ground. Tombstone and slab designated the resting places of several hundred denizens of that "silent city," but Morgan, Evans, Thomas and Davies comprehended nearly all the names inscribed on them. A glance at the signs on business houses and offices showed that the city's commercial and trade interests are controlled principally by men who bear the names of Morgan, Evans, Thomas and Davies. No wonder that everybody in Wales was posted about "that amazing man J. Pierpont Morgan!" while not a few of those simple-minded folk no doubt imagined that the great American king of finance belonged to one of their own prolific families of that name.

On the morning of August 7th the *Melville* steamed out of Swansea Bay bound for Montreal, where the journey of the muleteers by water would end. Their departure was attended by regrets on their side, but no doubt with eminent satisfaction to the police of the cities they had enlivened with their presence.

When the men were transferred from the Mount Royal to the *Melville* their real troubles began. On the latter ship the sleeping quarters were unclean, ill-smelling and infested with vermin. Some of the mattresses were foul, and the blankets filthy and in tatters. It can be safely asserted that there is not a jail or almshouse in the United States where better sleeping accommodations are not provided for the inmates. The bunks were located in the ship's hold, which had no flooring over the bottom, rendering it impossible to move about without wading through several inches



of filthy bilge water. Complaint was made to the American consul, who referred the matter to the Swansea health authorities. An investigation by them resulted in an order to provide some of the bunks with clean bedding, and to place flooring in the sleeping quarters. One part of the order was complied with by placing foul-smelling, disease-breeding planks from the horse and cattle stalls on the ship in the bottom of the hold. These were condemned by the health officer upon a second investigation, and a flooring of clean boards substituted.

Added to the men's other trials was the quality of the food provided them. It had been bad enough on the Mount Royal; on the Melville it was simply execrable—half-cooked, with no seasoning, unwholesome, sometimes decayed, always unclean, and served in insufficient quantity. It was far worse than that served the common sailors, who frequently threw their mess overboard, and on one or two occasions thrashed the cook. It may be stated in this connection as an indisputable fact that, on account of the bad food served the crew on British ships, sailors will not sign on them if a berth can be obtained under any other flag. And let it be said to the credit of the American marine service that seamen, no matter of what nationality, always try to sail under the "stars and stripes," because they are then sure of plenty of good wholesome food and kind treatment.

Another instance of "man's inhumanity to man." A muleteer had contracted a case of galloping consumption. The disease had made such inroads upon his constitution that his removal to the ship's hospital became necessary at an early stage of the trip. For two months he lay on a bunk growing weaker and weaker, incapable of assimilating food, the slender threads of life being held together by strong stimulating medicines. When the muleteers were transferred from the Mount Royal, this man, instead of being removed to a hospital at Barry or Cardiff, was compelled with the others to board a tugboat which met the Melville in midstream, twenty miles distant, the trip being

made through a driving rain, and no shelter whatever overhead. Like the carcass of a dead animal he was pulled up from the tug to the Melville's deck by ropes, and obliged to occupy the same quarters which the Swansea health authorities condemned as unfit for strong and healthy men. There was no doctor aboard the Melville, and the man, moreover, had been without medicine or medical attention for several days before leaving Mount Royal. The agent, in Swansea, of the steamship company who owns both ships, was notified, and he had ocular demonstration of the sick man's condition and surroundings. No relief was forthcoming. His condition grew steadily worse and worse—so serious indeed that some muleteers communicated with a hospital management, which took charge of him. By this time he is probably dead—beyond the reach of mule-ship brutality!

The landing of the men in Montreal was a matter of great disappointment and serious consequence to them. Many of them were penniless, and only a few had relatives or friends to whom they could write or wire for aid. The British government was under no legal obligations to carry them further, and the Canadian port was more than 2,000 miles from their homes. So it was, for the most part, a sorry lot of muleteers, homeless, hungry and friendless, whom the American consul had fed and sheltered in Montreal until the Elder-Dempster Company, steamship owners, paid their passage to New York. This act of the Elder-Dempster people was the only decent, humane treatment they ever received from the representatives of the British government. The men's condition, after reaching New York, was as unfortunate as it was in Montreal before the American consul came to their rescue. But their day of deliverance was not far off. A New York newspaper learned of their stranded and penniless condition and promptly provided for their needs and comfort and arranged for their transportation to New Orleans.

## EDITORIAL CRUCIBLE

THE CONGRESSIONAL investigation into the attempt to bribe Congressman Lessler to vote against his conviction in congress leads directly to the same source which corrupted the customs service and pollutes the politics of New York state. It would be surprising if an honest hunt for political crookedness in New York politics did not lead to Quiggism somewhere. Of course Mr. Quigg didn't offer Congressman Lessler the five thousand dollars. It was only his agent, whose acts he could repudiate when necessary. The testimony as given before the committee clearly shows the hand of Quigg in the matter, and, if anything, the more so because, through the manipulation of his agents, he is able to say he offered no money. Scratch a corruptionist in New York politics deep enough and you are very apt to find a Quigg.

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ON THE FIRST of January, 1903, railroads and large corporations throughout the country, very generally, increased wages ten per cent., and, for the most part, voluntarily. These increases in wages, together with those made during the three months previous, increased the aggregate wages about \$75,000,000 a year. This is probably the largest increase of wages that ever took place at any one time. That increased the flow into the retail trade of enough new purchasing power to make the difference between good times and bad. The steadying of industry by the United States Steel and one or two other large corporations, together with this unequalled increase in wages, are among the most assuring and hopeful facts of the year. And yet, the administration thinks it necessary to tinker with the tariff and throttle the corporations in order to save us from ruin. If there ever was a time when the nation could well afford to let congress go a'fishing, and, if needs be, give the president a bonus to go a'hunting, it is now. Every day, every hour, of their labors is threatening the welfare of the country.



"We are in need of coal to-day because the United Mine Workers, led by John Mitchell, aided and abetted by no small portion of the community, fought from the middle of May to October with bludgeons and guns and dynamite to prevent employees of the coal companies from mining coal."—*New York Sun*, Jan. 16, 1903.

THE ABOVE IS a sample of the unmitigated misrepresentation *The Sun* is persistently pursuing, not alone toward the mine-workers but toward all movements of organized labor. It is just this kind of perversion of facts that makes laborers distrust the press and regard capitalists as their enemies. Perhaps *The Sun* thinks it is serving the corporations by this policy of perversion. No simpleton was ever more mistaken. Every editorial written in such a spirit is an injury to the corporate interests of the country. The danger from which vested interests and large corporate concerns are most likely to suffer is class prejudice and consequent biased public sentiment, to which *The Sun* is a constant contributor.

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THE ENGLISH are encountering a crude form of the labor problem in South Africa. The question is—how to make the Kaffirs work. Since nothing will attract them to work, some kind of coercion will be necessary, or else a policy of extermination or driving them off and relying upon immigration to populate South Africa. We are meeting precisely the same problems in the Philippines, and we are being compelled, like the English, to have recourse to what is little short of slavery. In fact, England and the United States are having to deal with the same material in South Africa and the Philippines that our own people have had to deal with in the southern states, and they are adopting very similar methods. Though slavery is repugnant alike to American and English ideals, neither nation can avoid having slavery so long as it insists upon having people under its flag who are below the free-industry standard of civilization. Taking barbarians by conquest involves governing by coercion.

THE DEATH SENTENCE of Colonel Lynch for treason is the unavoidable outcome of his conduct. No jury could have found any other verdict, and no judge could have done any other than impose the death penalty. In all respects Lynch appears to have been highly deserving of the outcome. With that treacherous hatred characteristic of his kind he took up arms against his government. Not content with this, which probably would have been ignored, he returns and blatantly flaunts the fact of his treason in the face of the whole people whose country he betrayed. Nay, more, he became a candidate for election to parliament on his war record against his government, and as a part of this impudent flaunting of treason, an Irish constituency elected him. He simply compelled the government to take action against him, and dared the court to convict him. He has now received what he has sought and what he is fully entitled to,—the death sentence, and if he is not beheaded according to the ancient law for such crimes it will be due to the humanitarian leniency of King Edward. In this country his chance for leniency in such a case would be very slight.

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CONGRESS IS NOW considering a bill providing for a department of commerce and labor, in charge of a secretary with a seat in the cabinet. This, of course, is presented as being in the interest of labor. In reality, however, it is nothing of the kind. The bill carries with it the transfer of the present office of commissioner of labor to that department. The result would simply be a new cabinet officer and in effect the abolition of the department of labor. This would only be a mistake. The present department of labor is worth many times more to the labor interests of the country than a cabinet officer would be. What labor wants is not a representative in the cabinet, but reliable scientific reports of industrial data and competent discussion of economic conditions. The labor question is not one for cabinet decision or legislation, but of wide, reliable information and intelligent understanding of economic and social relations,

and this is as necessary among employers and the public as it is among laborers.

The present labor department, which is superior to any other of its kind in the world, has done and is doing more for the dissemination of correct information and the direct creation of wholesome ideas on industrial questions, and ultimately influencing public policy, than would ever be likely to come from a representative in the cabinet, which would be political and partisan and nearly worthless.

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"The president should not meddle with the work of congress. It is his duty if he thinks it necessary to communicate his opinions and such information as he may have about matters of legislation in a message, and there he should stop. Not until congress has acted and sent to the president the result of its deliberations in the shape of the act duly adopted should the president have anything to say about any measure before congress."—*Senator George F. Hoar.*

THIS IS AS sound as it is significant. The president may properly assume to be the representative of the nation, but it is neither expected of him, nor is it wholesome, that he should assume the legislative function. He may well express his views in messages to congress and check any seemingly rash legislation by his veto, but to insist upon preparing bills and exercising a coercive or dictatorial influence over congress, either by the use of patronage or threatening to call an extra session, is transcending the executive functions and may properly be resented. It is very appropriate that Senator Hoar, the oldest and probably the most respected senator in the country, should voice the objection to the usurpation of legislative functions by the president. If any tariff-disturbing or rabid anti-trust measures are adopted, it will be largely due to this influence. Less danger is likely to come to the country by congress moving a little too slowly on such matters than by being impelled to act under executive pressure.

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"The *Journal* copies an article from GUNTON'S MAGAZINE this week. While as a whole the article is fair, yet there is an irritating tone in



the advice. The continued repetition economical writers indulge in when they write of organized labor, to become educated in economics, so as to be able to meet and discuss matters pertaining to capital and labor, as well as their employers, is unnecessary. The great trouble has been, and will be, that employers will not discuss matters at all. Now, if Mr. Gunton will kindly point out the time when labor unions' representatives met their employers, and were beaten because they were ignorant of trade conditions, markets, prices, etc., he will confer a great favor. The assumption that organized labor is not as intelligent and as well-educated in economics as organized capital is purely gratuitous."—*United Mine Workers' Journal*, Dec. 11, 1902.

IT IS REALLY unfortunate that a journal devoted to unionism should regard as "gratuitous" a suggestion that labor leaders be better equipped on economic subjects. There are a few instances where the labor leaders have shown themselves equally if not better equipped than their opponents, but they are conspicuous by their rarity. John Mitchell is a striking example. All candid critics admit that in the coal controversy Mr. Mitchell was more than the peer of any who were pitted against him; but who can say that of Shaffer or of Debs, who have led organized labor into humiliating defeat?

When a labor leader goes to chattering about profits being robbery, and large fortunes being stolen from wages, as is too often the case, he is ignorant of the subject and fails to command respect. The cases of this kind are too painfully numerous to need citing. All sane leaders of large organizations know that their chief difficulty is with the irrational, hot-headed, ill-informed members, and often local leaders in their craft.

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AT LAST WE HAVE a cure for the "evils of trusts." Representative Griffith, of Indiana, has introduced a bill into congress, providing that no private fortune shall be permitted to exceed ten millions of dollars. The remedy provided is simple and adequate. It is to confiscate all above that amount. This is indeed a great stroke of statesmanship and should immortalize Mr. Griffith. But why say ten millions, when half a million is an abundance?

If all the accumulations above half a million were confiscated, capitalists would be quite harmless.

Had our statesmen of forty years ago only adopted such a far-reaching policy, we might have been spared the infliction of the great railroads and all the so-called trusts. There could have been no pipe-line system, pumping oil from the wells in the interior to the refineries at the seaboard. All the Vanderbilts, Rockefellers, Morgans and Hills would have been killed in the borning. It would have prevented great newspaper trusts, like the *New York Herald*, *World*, *Journal* and *Times*. Under such a beneficent régime the Pulitzers, Bennetts, Hearsts and Whitelaw Reids would have been impossible. Nor would the community have been oppressed by department stores; the Marshall Fields, Macys and Wanamakers would never have appeared under Mr. Griffith's scheme. The country would also have been spared the evils of the electric trolley system. New York would not have had to endure the elevated railroad, the Metropolitan railway, the threatened subway rapid transit and Pennsylvania tunnel under the Hudson and East rivers. No; the era of the peaceful horse car, the small shopkeeper, the stagecoach, or, at worst, the primitive railway with its high prices and delightfully old-fashioned service, would have been perpetuated. What a misfortune to civilization that Mr. Griffith did not come in time to prevent the ravages of steam and electricity and modern welfare!

## BOOK REVIEWS

AMERICAN NAVIGATION. The Political History of its Rise and Ruin. By William W. Bates, ex-United States Commissioner of Navigation; author of "American Marine," etc. Cloth, 466 pages. \$3.50. Houghton, Mifflin & Company, Boston and New York.

There are few subjects connected with our national policy so little understood as American shipping. It is the only subject upon which the newspapers, editors and essayists can write and talk glibly with little risk of serious opposition. Much that is said and written on this subject is essentially of the character of special pleading, either against all protection to American shipping, or for some specific proposition. The work under consideration is of an entirely different character. Mr. Bates is preeminently fitted by education, training, experience and age, to treat the subject in an exhaustive and comprehensive manner. The book is patriotic in sentiment, and filled from cover to cover with pertinent information on the subject. It is an able review of the American marine, an interesting as well as instructive survey of its rise and development, and a critical study of its decline.

Mr. Bates discusses in the most able and enlightening manner the various policies adopted towards American shipping, and he very successfully combats the bounty theory. The criticisms extend throughout our whole history down to the present. But Mr. Bates is not entirely critical; he is affirmative and constructive. Besides pointing out the causes for the rise and decline of American shipping, and passing in critical review various bounty and other propositions, he presents a scheme of shipping protection worthy of careful consideration (page 435):

"1. *Extra tonnage duty* of one dollar per ton on the gross admeasurement of every vessel, not of the United States, that shall arrive with merchandise or passengers to be landed in the United States from a country, its colony or possession, to which said vessel does not belong.



"2. *Extra duty* of ten per cent. *ad valorem* to be collected on all merchandise imported by every vessel, not of the United States, from a country, its colony or possession, to which the importing vessel does not belong.

"3. *Extra duty* of ten per cent. *ad valorem* on all merchandise imported by a vessel, not of the United States, coming from any country, its colony or possession, where said merchandise was not grown, produced, manufactured, or first exported, or which, being the growth, production or manufacture of any foreign country not contiguous to the United States, shall come into the United States across the line from any such contiguous country, unless in the course of strictly retail trade.

"4. Merchandise on the 'free list' to become dutiable at ten per cent. *ad valorem* when imported in vessels not of the United States.

"5. Merchandise on the 'reciprocity list' to become dutiable at full rates when imported in vessels not of the United States or of the reciprocating country.

"6. *Extra duty* of fifteen per cent. *ad valorem* on all merchandise admitted to storage in bonded warehouse, unless imported in vessels of the United States; but a rebate of *ten* per cent. shall be allowed in all cases where such merchandise shall be re-exported in vessels of the United States.

"*Reasons for these Regulations.* In these measures merchandise bears the brunt of discrimination. Vessels are only affected indirectly, unless bringing goods from countries *not their own*. The difference in duties is preferably made by an extra rate, as that would least affect the revenue. This regulation would tend to limit import carriage to vessels of the countries concerned in the trade. This was the primitive rule in commerce, and a salient feature of the British navigation act, which was *only* repealed in 1849. We gave up this principle in our reciprocity act of 1828. It is *not a right*, but a privilege purely, that any foreign vessel shall bring a cargo—much or little—from a country not its own, taking the normal function of our own

ship. Only treaties or conventions can secure such privileges. Both the right and expediency are with the vessels of the countries exchanging products. If this principle removes a bane of trade and a source of ruin to the marines of inferior countries, it merits the support of the fair-trading world."

(Page 441.) "*Present British Ship Protection*. This, as we have shown, covers *more than half* of the world's carrying trade and commerce, and is most diverse and powerful. Former prohibitions have been swept away; but the principle of preference and practice of discrimination rule supreme *in ship employment* and marine insurance. This unique system is partly governmental, partly institutional, and voluntary with patriotic individuals. It consists of different policies co-operating for the success of *British ships*. Briefly, it is as follows:

"1. A strong and efficient steam mail subsidy policy, for intercourse with the world in *British ships*.

"2. A naval reserve subvention policy in support of steam lines for the engrossment of *British commerce* with the United States.

"3. Lloyds discriminative ship inspection, prejudicial to foreign vessels, particularly if foreign built.

"4. British insurance discrimination, on hulls and cargoes, thus compelling the employment of British ships.

"5. Lloyds discriminative loading rules enforced by the board of trade—lightest loading to foreign ships not built by Lloyds rules, though they may be stronger.

"6. A discriminative chartering policy observed by merchants and shippers—only British ships taken for *standard*, foreign flags having to accept lower rates of freight and pay higher insurance on cargo—in disregard of the rights of foreign nations under reciprocity conventions for "free freighting."

"7. Discriminative 'exchange' rules requiring cargoes to be British insured, to be regular in sales, thus giving the control of charters to British underwriters, which is about

the same thing as refusing charters to foreign, but particularly American ships.

"8. Trade custom to pay higher prices in British markets for cargoes by *British ships*.

"9. Cooperation of British steamship and American railway interests—the former intent on engrossing the carriage to England. Our laws should forbid, and break up such cooperation with a foreign interest against the welfare of the union.

"10. Rings and combinations of British shipowners, merchants and underwriters, linked in mutual self-interest, to control the trade and transportation of the *United States* with the other countries of the world. A part of their plan may be to mislead our statesmen into 'subsidy' legislation.

"From this array of protective expedients it appears that England has 'retaliated' *in advance* on any nation ambitious to 'follow the sea.' None of the nations that accepted the principle of 'reciprocity,' and entered into conventions with us, antedated Great Britain in resorting to a protective policy. She has been the leader. Her system seems well-nigh perfect. The counteraction of this system cannot be a 'national sin.'"

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RALPH WALDO EMERSON. By Edward Everett Hale. Together with Two Early Essays by Emerson. Cloth; 135 pages. American Unitarian Association, Boston.

The disappointing thing in trying to review Dr. Hale's address on Emerson is that we cannot reprint it entire. It is so rich in the spirit of its subject, in personal detail, reminiscence and illuminative discussion, that the only proper comment seems to be: "Read it yourself."

This address was delivered before the Brooklyn Institute, on the ninetieth anniversary of Emerson's birth. It is published in a small volume of 135 pages, together with two early essays of Emerson's, one on "The Character of Socrates," and the other on "The Present State of Ethical Philosophy." Dr. Hale brings out with great felicity and a



deal of telling illustration the rare combination in Emerson of the exalted idealist and the practical, common sense man of daily life and daily dealing with life's commonplaces. His account of the earnest and active part Emerson took in relation to civil war problems, even to the highly practical extent of furnishing subject matter for campaign documents in a Connecticut state election, when there was danger of a copperhead victory, is all the more gratifying because of the misrepresentations and misunderstandings that have had a certain cheap currency in regard to Emerson's attitude during that period.

No less interesting is Dr. Hale's stout rejection of certain "scholarly" efforts to trace the larger part of Emerson's philosophy to German influences. He shows the distinctively original elements of Emerson's work, of course including traces of infinitely varied influences, but in its own unique quality, a new thing upon the earth, and unmistakably singled out from all and singular "systems" of philosophy by its direct and predominating appeal to and touch with the infinite sources of power and truth. As Oliver Wendell Holmes says in his curious study of Emerson's use of quotations, likened to the "miraculous draught of fishes,"—out of some 3,393 such quotations, from 868 different individuals, including twenty-seven favorites quoted twenty times or more, there is among these twenty-seven but one German writer,—Goethe; and even this implies very little of German influence, since he was utterly out of sympathy with the whole trend and character of Goethe's work. Of Goethe, says Dr. Hale, Emerson "has said the bitterest things, perhaps, that have been said about any man of our time."

Dr. Hale announces early in the address the purpose he has in mind in what he shall have to say about Emerson:

"I want to show how this great leader of the idealists lives in personal touch, glad and homely, with his fellow-men. I want to show that he is not afraid to bring his idealism to test in the practical duty of commonplace life. We who knew him, talked with him, and loved him, know that he found the Kingdom of Heaven on earth. He found

God reigning in his baby's nursery; at the post-office; when he pruned his apple trees, and when he took the train for Boston. We want you who have not seen him to believe that the man of ideas was thus a human man, a man with men. He was not a dreamer. He was an actor. He taught us how to live; and he did so because he lived himself."

That Dr. Hale has no trouble in making all this clear is obvious long before the end of the address is reached. The American Unitarian Association is to be congratulated upon its refreshingly high standard of judgment and courage in recognizing the sort of thing that is really worth preserving in the current literature of the time, and in giving the public such a creditable volume as this, together with the excellent study of labor problems by Carroll D. Wright, reviewed in our January number.

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CONSTRUCTIVE AND PREVENTIVE PHILANTHROPY. By Joseph Lee, Vice-President of the Massachusetts Civic League. With an introduction by Jacob A. Riis. Cloth; 237 pages. The Macmillan Company, New York.

This little book gives an interesting account of the efforts at wholesome philanthropy. It is not merely a description of what is being done now in New York city, but also an attempt to give an historical account of what has been done in the past. The introduction by Mr. Riis is charmingly frank. He is quite sure, by Mr. Lee's description of Mulberry Bend, that he never saw it. He says:

"His diagnosis of the boy is fundamental, that of the Bend is not. He [Mr. Lee] never saw it, I will warrant. It was 'materially worse' than the rest of the neighborhood—than any other place I ever saw or heard of. It was a pigsty, only the pigs were men. Therefore the men became pigs in that foul spot."

As an account of what has been and is being done in the line of wholesome, civic help, its 237 pages are well worth reading.

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THE GOVERNMENT OF MAINE. Its History and Administration. By William MacDonald, LL. D. "Hand-

book of American Government" Series. Cloth; 263 pages. The Macmillan Company, New York, 1902.

This is a text book prepared especially for high school and college work. It gives an excellent account of the form and functions of government in the state of Maine and a history of the various phases of growth and modification of its laws. It is prepared with great care as to the technical facts and is well adapted for classroom work.

Not the least interesting are the four documents published at the end as appendices, giving the full text of the first charter of Virginia, the first charter of Massachusetts, the Plymouth patent, the grant of the province of Maine, the grant to the Duke of York, second charter of Massachusetts, articles of separation, act of cession, and the constitution of Maine with its subsequent amendments.

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We are glad to call the attention of our readers to the library of "Modern Eloquence" which is being issued by John D. Morris & Company of Philadelphia. This library was prepared under the editorship of the late Thomas B. Reed, and is a unique and in many respects remarkable production. The material brought together in these ten volumes is not a collection of hackneyed, time-worn paragraphs from familiar speeches. On the contrary, it bears every evidence of having been compiled with a vast amount of careful research, coupled with the even more important requisite of good selection. It covers a wide range of matter, much of which otherwise might never have become public property, because of the necessarily scattered, local and occasional nature of a great part of the best oratory. A free portfolio of sample pages and illustrations may be had from the Morris Company by filling out the small blank elsewhere printed in this number.



## CURRENT COMMENT

**The Attorney General's "Trust" Proposals**      "That all discriminatory practices affecting inter-state trade be made offenses to be enjoined and punished.

"Such legislation to be directed alike against those who give and those who receive illegal advantages, and to cover discrimination in prices as against competitors in particular localities resorted to for the purpose of destroying competition.

"In order to reach producers guilty of these offenses who are, as producers merely, beyond national control, a penalty should be imposed upon the inter-state and foreign transportation of goods produced by them, and federal courts should be given power to restrain such transportation at the government's suit.

"The casus omissus in the inter-state commerce act should now be supplied by imposing a penalty upon carrier and beneficiary alike and by giving to the courts the right to restrain all such infractions of the law.

"The prohibition against carriers should be limited to those subject to the act to regulate commerce. Only carriers operating a line of railroad or a rail and water line as one line are required to publish their rates and adhere to them.

"It should be made unlawful to transport traffic by carriers subject to the inter-state commerce act at a less rate than the published rate, and all who participate in violating the law should be punished. Provision should also be made to reach corporations and combinations which produce wholly within a state, but whose products enter into inter-state commerce. This provision should relate, first, to concerns which fatten on rebates; second, to concerns which sell commodities below the general price in particular localities, or in any other way in particular localities seek to destroy competition.

"There should be a comprehensive plan to enable the

government to get all the facts bearing upon the organization and practices of concerns engaged in inter-state commerce, not with a view to hampering any legitimate business of such concerns, but in order to be in position to take action if necessary.

"To this end a commission or a special bureau in the proposed department of commerce should be created, whose duty it should be to investigate the operations of concerns engaged in inter-state or foreign commerce, to gather information and data enabling it to make recommendations for additional legislation, to report to the president. This would be a first step in securing proper publicity.

"This commission should have authority to inquire into the management of any concern doing an inter-state business whenever it becomes necessary or desirable. It should have the authority to call for reports from them, to compel testimony from all witnesses, and by the production of books, papers, etc."—*Abstract of recommendations of Attorney General Knox, submitted to congress Jan. 6.*

"The recommendations of Attorney General Knox go to the root of trust evils. If enacted into law they will deprive would-be monopolists of their keenest weapon and make monopoly practically impossible by giving the independent producer a fair field. The attorney general puts the case in two sentences when he says:

"A monopoly in any industry would be impossible in this country if competition were assured of a fair and open field and protected against unfair, artificial, and discriminating practices. If the law will guarantee to the smaller producer protection against piratical methods and keep the highways to market open and available to him for the same tolls charged his powerful competitor, he will manage to live and thrive. . . ."

"With legislation that will protect investors by enforcing such publicity of corporation management as will prevent stock watering and other devices for obtaining unearned and often unearnable profits, and that will protect the whole people by making discrimination by railways

between producers impossible, thus preserving the competition of the small and independent producer, the trust problem may not be solved, but it will be at least in a fair way of solution."—*Chicago "Inter-Ocean."*

"On another page will be found the abstract of Attorney General Knox's anti-trust recommendations recently given to the public. While they go farther than he has gone before, they come far short of what was reasonably expected of the law officer of the government. He seems worried lest there may be unnecessary severity, and says that 'it is not nearly so important to act quickly as to act wisely,' assuming that it is impossible to do both. He recommends action along four lines: First, the prohibition of rebates and discrimination by railroads. This is good as far as it goes, but the legislation should be even broader and prevent extortionate rates as well as discriminating rates. His second recommendation is that corporations should be prohibited from making discriminations in prices for the purpose of destroying competition. This also is worthy of trial, but does not go to the cause of the trouble. Mr. Knox is trying to cut off a few branches, but he does not lay the ax to the root of the trust tree. He does not declare the principle of private monopoly to be bad and undertake to make such a monopoly impossible. He would attempt to strike at some of the methods of the monopoly instead of seeking its entire extermination."—*W. J. Bryan, in "The Commoner."*

"It would tend to equalize matters somewhat if, as the letter suggests, trusts were prevented from employing their capital in breaking the market, now in one locality, now in another, for the purpose of destroying competition. This is one of their favorite schemes, which should be made punishable with a severe penalty. It is, moreover, comparatively easy to get at because it must often be carried out in an open fight. It would also be an excellent idea to bottle up the products of trusts in the state of their manufacture when they were proved guilty of an infraction of the law.



"But, generally speaking, the great difficulty lies in securing proof, and it remains to be seen whether a real publicity of the affairs of these corporations which are combinations in restraint of trade can be brought about. If not, they will have to be declared illegal by their very constitution, while some of them, perhaps, may be converted from a private into a public monopoly."—*Chicago Record-Herald.*"

"The whole business is a play to the galleries. The people demand some action, and the intention is to make a pretence of attempting something and ending by showing that the problem is insoluble. It may as well be admitted at the outset that it is impossible of solution by the republican party. When trusts cease to exist there will be no republican party, as that party is now led and directed. The name may survive, but without trusts it will be obliged to devise new reasons for existence."—*Louisville "Courier-Journal."*

"Without calling in question the sincerity of either the president or the attorney general, in seeking some satisfactory solution of the trust problem, it must be held that the commission idea, like that of providing additional penalties for the granting of special rebates and concessions in transportation, is a somewhat ridiculous outcome of what has been loudly proclaimed as a resolute and aggressive anti-trust policy. Next to the duplication of legislation there can be no more pernicious practice than the duplication of governmental agencies. The bills prepared by the attorney general are manifestly open to objection on the score of being pure surplusage, and of endeavoring to accomplish something which can be more directly done with but a slight enlargement of existing authority. There may be grounds on which they can be defended which are not apparent to ordinary observation; that is to say, they may be prompted by considerations based upon facts in the possession of the department of justice which have not received due weight elsewhere. But, in the absence of some such reason for their existence, they read very much

like an attempt to satisfy the demands of public sentiment by a parade of remedies equally pretentious and meaningless."—*New York "Journal of Commerce."*

"When, according to this plan, one merchant offers his goods at a somewhat lower price than another merchant asks for the same goods, he is to be commended and encouraged, because he is maintaining competition in trade. But if he offers his goods at less than cost, in order to make it difficult or impossible for any other merchant to compete with him, then he is to be treated as a malefactor, provided he does business as a corporation or a member of a corporation. If he does business as an individual (as John Wanamaker does) he may practice any of these methods without subjecting himself to criminal prosecution. Thus we see that the subject is surrounded with difficulties, and these difficulties become more prominent as efforts are made to frame a law which will be capable of being executed."—*"Hartford Times."*

**New Benefits to Oil and Steel Workingmen** "Among the latter [new features] is a provision to the effect that any employee who has reached the age of sixty-four years, after twenty-five years in the service of the company, may retire on half pay for one year, after which the regulation pension is to be paid to them.

"The regular pension is to be one-fourth of the salary which the employee was receiving at the time of his retirement. It will be paid to all who have been in the service of the company for twenty-five years and who have reached the age of sixty-five years. One of the features of the plan is the fact that the official, be he president, secretary or general agent, and no matter what his salary, will be entitled to the benefits of the plan as well as the employee who earns the lowest wages paid by the company."—*"New York Times," Dec. 30th; report of new pension system adopted by the Standard Oil Company, the expense to be borne entirely by the company instead of contributed in part by the em-*

ployees, as in practically all other labor insurance and pension systems.

"It offers to sell to each member of the salaried class a certain amount of the preferred stock of the company at a fixed price, not far from the present market price, the payments to be made by installments within three years at 5 per cent. interest on deferred payments—the buyer to draw the accruing dividends. After holding the shares for five years, rendering faithful service to the company and continuing in its service, the holder shall be entitled to \$5 per year for each share in addition to the dividends on the same. At the end of five years more, under like conditions, he will receive additional compensation if the company's earnings justify it. Part two provides that still further compensation shall be given to those included in part one, and to 'all other men charged with responsibility in managing the affairs of the corporation.' Who are the persons coming within this classification shall be determined by the finance committee. Under part two it is declared that net profits to the amount of \$75,000,000 per annum are required to pay interest, dividends and sinking fund. Whenever the net earnings exceed \$80,000,000, one per cent. of that sum shall be set aside for distribution to these two classes, one-half in cash and the other half in preferred stock. All the privileges apply to officers and employees of the subsidiary companies as well as of the United States Steel Corporation itself. The scheme seems well adapted to its declared aim of attaching to the company its officers and employees, and will probably be accepted by most of them, since they risk very little by so doing. It does not bear the character of benevolence or philanthropy in any sense, and makes no pretensions of that sort. It can be judged only by its results from the business point of view."—*New York Evening Post*."

"There have been inquiries as to whether there is anything in the laws of the association that would stultify the unionism of any of our members if they were to buy some of this stock. To such we say there is not. A member



can be a stockholder in the works in which he is employed and hold full membership in the association. The question whether it is advisable for the members of the association to invest in these stocks is one that each member must decide for himself. It is not for the association to advise its members how they shall dispose of their money."—*From statement issued by Amalgamated Association of Iron, Steel and Tin Workers.*

"It goes far beyond anything of the kind that liberality or sagacity has ever devised, and we do not think we err when we characterize it as the most portentous and far-reaching problem in practical sociology that the world has ever seen. It is impossible now to circumscribe or define its effects. We think they must prove almost revolutionary; and that they will be felt in every great corporate industry in this and other countries does not admit of question.

"There is no aspect in which this astounding project can be profitably considered or rightly understood which does not take account primarily of the liberal and humanitarian policy in which it had its inspiration. Therein lie its foundation and its explanation, and therein alone can it find its final acceptance and justification."—*New York "Sun."*

"The Standard Oil Company has announced a very generous pension system for its employees, which is to take effect tomorrow. The employees are not asked to contribute to the pension fund, and as it will require the expenditure of a considerable sum of money annually, the generosity of the company is self-evident. . . . The company employs tens of thousands of men, scattered over all parts of the world. It is stated that several hundred will be entitled to retire at once. The corporation is well able to pay pensions, but is under no obligation to do so, which makes its course the more creditable. . . . The trouble with a system where all employees contribute is that many of them never get any return for their contributions, as they may die or retire or be dismissed before the time arrives for the payment of pensions. The better way

is for employees to save money for support in old age. But many cannot do that for lack of means, while many others will not do so, even if able to do it. . . . The Standard Oil system may lead employees to save, because the amount of the pension to be paid will not, in many cases, be sufficient for maintenance."—*Philadelphia "Press."*

"The gravest of the charges, in the impeachment of the trusts by popular judgment, is probably the recognition that they have tended to concentrate the profits of industrial enterprise in the hands of a few men, and to close the door to those who under the industrial system they displaced had opportunity to become part owners, and, in a large or small way, according to their intelligence and thrift, partners. It has been urged that the individuality of the man who works for a trust is extinguished, and that he begins and ends a servant, with no incentive to ambition and no chance for advancement. This charge is dismissed in the case of the Steel Corporation by the plan of participation by which every officer, clerk, mechanic and laborer may become a profit-sharer on terms much more favorable than are offered to the capitalist. . . .

"That the largest stock corporation in the world should have elaborated a plan so generous toward its labor is significant, and refutes one of the strongest arguments which have been advanced against the principle of gigantic industrial consolidation. It offers a supreme test of the intelligence of labor and of the sincerity of the purpose underlying the struggle for the betterment of conditions and for the maintenance of the 'standard of comfort,' which have been pleaded in justification of strikes. It comes not as a concession wrung from the reluctant employer by force majeure, but, in this instance, after a conclusive demonstration of the ability of the corporation to defeat labor and even to oppress it if such were the purpose."—*"New York Times."*

"It is evident that the more widely these heavily-watered shares of the steel and other trusts are scattered among the people the more political power is gained for the tariff or other instrumentalities that are essential to

the power and extortionate gains of the combines. In an age when so many men carry their principles in their pocketbooks it is the shrewdest sort of wisdom for these vast public cormorants to get as many such men interested as possible.

"Hence it does not strike us that the steel corporation's action in admitting its workmen to the ownership of 25,000 shares of its stock is more than one-tenth philanthropy, because it is certainly nine-tenths shrewd precaution and politics."—*Atlanta Constitution.*"

"What is evidently sought above all else is to interest its great army of officers and employees in the successful working of this mighty aggregation of capital. It is recognized by the greatest trust in the world that these huge consolidations possess one glaring weakness, as contrasted with smaller bodies of capital—that their management tends to fall into the hands of a professional salaried class, without ownership interest in the work. And it is to overcome this defect as far as possible that the present plan is primarily devised. And so to officers and all employees in positions of superintendence and responsibility there is extended, first, an attractive opportunity to invest in the preferred stock; and, second, the privilege of sharing in the profits of the business on a graduated scale, as earnings rise above the requirements of fixed charges, dividends and sinking fund deposits. Beyond this comes a consideration of the case of ordinary employees, down to the lowest in point of wages; and to interest this class in the success of the corporation there is extended a larger opportunity than is accorded the superintendent class to subscribe for stock, a handsome premium being offered for the continuous holding of the stock to the end of keeping in continuous service worthy and forehanded employees. The preferred stock at present pays 7 per cent., and there is offered a premium of \$5 a share per year, or 5 per cent., for its continuous holding. As the stock is sold to the employee for \$82.50 a share, this would mean a return of nearly 15 per cent. on the investment. If the employee con-



tinues to hold his stock beyond a period of five years, the promise of a further extra dividend is held out."—*"Springfield Republican."*

"One principle should be recognized from the beginning, to wit: that whatever an employee purchases shall belong to him unconditionally. There should be no forfeiture of any right or equity because a workman quits the service of the employing corporation. Any such condition will make the proposition appear as an effort to deprive the men of their independence. A corporation is under no obligations to men who quit its employ beyond making just settlement for what they may have paid, but that it owes, and by no process of reasoning can properly confiscate."—*Des Moines "Register and Leader."*

<b>Reciprocity:</b> <b>Cuban* and</b> <b>Otherwise</b>	"If the Cuban treaty is ratified by the senate it will be because the senators from the states whose industries are most directly affected fail in their duty to their constituents. . . . It is specifically agreed in the treaty that the concessions granted on both sides shall be exclusive and preferential as against all other countries. In that provision there are the seeds of trouble both for Cuba and ourselves. By this treaty we expect to get trade now enjoyed by Europe. We may get it, for the treaty may be ratified, although we do not believe it will be, but if any one supposes that Europe will submit to such a loss without retaliation he will find himself mistaken. The ratification of this treaty will launch us upon a sea of international troubles of which we have had no experience. If commercial war is averted it will only be by such a general 'tariff revision by treaty' as has been advocated in certain high quarters, but which will be the death blow to our commercial and fiscal inde-
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\*The reciprocity treaty with Cuba, awaiting confirmation by the United States senate, provides for a uniform reduction of 20 per cent. from the Dingley tariff rates on all imports from Cuba; and reductions varying from 20 to 40 per cent. on all United States imports into Cuba, except tobacco.

pendence. This treaty 'revises' our entire tariff list by 25 per cent. reduction in favor of Cuba. It will be only a beginning."—*"San Francisco Chronicle."*

"The resolution adopted at the meeting of the American Beet Sugar Association indorsing, under certain conditions, the Cuban reciprocity bill, was an exceedingly artful measure. Mr. Oxnard has explained that the last few words of the preamble and resolution cover the root of the matter. These are to the effect that the treaty be so amended that during the period of five years covered by it 'no sugar exported from the republic of Cuba shall be admitted into the United States at a reduction of duty greater than 20 per centum of the rates of duty thereon as provided by the tariff act of the United States, approved July 24, 1897.' . . . Thus, if his amendment is carried, two things will be assured to Mr. Oxnard and his friends, the present high price for sugar and the inherent probability that for the next five years there would be no change made in the sugar schedule, even though in the interval the free trade democrats were to come into power. This is certainly an artful method—that is, to tie up a tariff by making particular clauses in it features in a treaty which is to last through a series of years."—*"Boston Herald."*

"If any future day could be named when the modifications desired could be more advantageously made than now, there would be more force in the argument for delay. But nobody suggests that after prosperity has passed and a period of depression has come, will be a better time. Furthermore, when prosperity has passed the republican majority in congress will very likely have passed also, and all chance of legislation by the republican party will have gone. If any steps were being taken to develop reciprocity arrangements, or any progressive movement upon the subject was visible, there would be little discussion in republican ranks over the tariff. But the policy is deadlocked by petty interests and about to be abandoned as impracticable unless a public interest is taken in it. Nothing but President Roosevelt's personal popularity and his earnest

appeal to the public for support will save the Cuban reciprocity measure, if it is saved."—*Des Moines "Register and Leader."*

"I have been a disciple of James G. Blaine all my lifetime, and I do not intend to sit quietly in this chamber when it is described as infamous to cherish the opinion that the tariff schedules could be honorably modified by sensible trade negotiations. It is a reproach to the United States that not one single line of the wisdom of Mr. Blaine remains upon the statute books of our country, and that not one step has been taken by this government to fulfil the last public expression of the purposes of William McKinley. I have decided that the time has come for somebody to rise here and say that the whole future of the protective system in the United States depends upon the wisdom with which congress responds to the aspirations voiced in the last utterances of McKinley."—*Senator Dolliver, of Iowa, in the senate, January 13th.*

"I wrote every word of that reciprocity provision. It was inserted at my request. What did the reciprocity provision mean? Did it mean that the manufacturing and industrial interests of the country were to be entirely sacrificed to the greed of the agricultural interests of the West? Not at all. There was to be no surrender of the principle of protection. It was never dreamed for an instant that any executive would sacrifice the principle upon which the republican party is founded. My friend is surprised that we do not rush into these things. I am for reciprocity—real, genuine reciprocity—by which the United States shall gain a share of the commerce of the world, but not for a surrender to the greed of certain selfish interests."—*Senator Aldrich, of Rhode Island, in reply to Senator Dolliver.*

"Everybody here knows what the destiny of Cuba must ultimately prove to be, both politically and commercially, and most people can see that the Cuban republic is



a prisoner of war of the United States; but in spite of knowing this, nevertheless they are not devoid of the instinct of self-preservation to such an extent as to make them support and desire the consummation of a treaty which, if the executive supports it, does so from motives of self-interest, though it will destroy or cripple large vested interests here, built up in the course of many years, and which will also shut us off commercially from the rest of the world.

"If the failure to put through the reciprocity treaty would cause a rupture with the United States, as is stated by the officious organs in the press of the administration, it would be better to finish at once with the policy of hypocrisy, both within and without the country, and that Cuba should be told plainly that 'You are no more than a small and miserable people, and if you wish to keep what I voluntarily am ready to give you, you will have to fulfil the decrees and orders which I give to your government to sign, the government which I set up and supported for your good and my own ends.'

"In this way the country would be spared having to think, ponder on, or discuss those matters which, according to a mere formula, are submitted to it."—*"La Lucha," Havana, Cuba.*

#### Arbitration of the Venezuela Case

"The president appreciates to an extraordinary degree the honor that the powers have done him in asking him to act as arbitrator in settling their present difficulty with Venezuela. He would have been happy to meet the wishes of the powers and exert his best efforts for attaining so desirable a conclusion but for the fact that another and better way presents itself for settling this difficulty. The president has been of the opinion always that the whole controversy should be referred to the high court of arbitration at The Hague, since this court was created by the most important powers of the world to settle questions like the present, which involve no questions of national honor or ces-

sion of territory."—*Note sent by President Roosevelt to the powers involved in the Venezuela dispute.*

"The day's news means, then, that the United States is to remain free from embarrassing complications, that the Monroe doctrine is to be respected, that the differences between Venezuela and other powers are to be adjusted not by force, but by reason and equitable judgment, and that the international tribunal at The Hague, which has been so widely regarded with so much hope as making for peace among the nations, is to be used, trusted and honored by its creators, and not neglected and repudiated. These are things upon which hearty congratulations are due to the administration at Washington for the large and consistent part which it has played in effecting them, and to the actual parties to the controversy for the reasonable temper and amicable spirit in which they have finally come to accept them."—*"New York Tribune."*

"When that court says Venezuela must pay so much, how does anybody know that she will pay? And if she doesn't pay, how is Europe going to make her pay, except through force? And if Europe resorts to force, then there is the same old rigmarole of consulting us and getting permission to take certain coercive steps and agreeing not to take certain other steps, and then our trade is interfered with along with everybody else's; and so we get mad, and our citizens here are maltreated, along with citizens of other countries, and all this time we are maintaining a limited form of protectorate over Venezuela without any power or habit of directing what shall be the acts of Venezuela for whose consequences we are to stand between her and Europe. . . . The only possible outcome of these increasing embarrassments into which the little Americas are getting us is the assertion of United States control over their foreign affairs."—*Portland "Oregonian."*

"What are the views of the English government as to the kind of protection to be afforded to bondholders? Mr. Balfour's speech on Monday happily left us in no doubt upon this point. 'I look,' he said, 'upon such international

action'—international action undertaken in order to protect the interests of bondholders—'with the gravest doubt and suspicion. I doubt whether we have in the past ever gone to war for those of our countrymen who have lent money to a foreign government, and I confess I should be very sorry to see that made a practice in this country.' We are very glad that we have this assurance from the prime minister, because, if Lord Cranborne's words on the same subject had stood alone, they would have been less satisfactory. 'In my view,' he said, 'the bondholders have conferred very great benefits in South America, and are entitled to protection by their own fellow-countrymen.' To protection of life and goods if they happen to be living in the country to which they have lent money—yes. To the use of a gunboat whenever the country to which they have lent money makes default in the payment of interest—no. The investor in South American securities deliberately prefers the chance of a high interest to the certainty of a low interest, and if his government converts his chance into a certainty by undertaking to collect his dividends by gunboats and blue-jackets, it is simply subsidizing the foreign bondholder at the cost of the holder of home bonds."—*"London Economist."*

"A great number of Frenchmen and other Europeans are happy to join with me in expressing to you their gratitude for the generous, unyielding firmness you have displayed in support of international justice. Europe is constantly speaking of American competition, which has its material advantages in stimulating our energies; but you have inaugurated a moral competition more effective than the other.

"Twice you have reminded the governments of their duty, pointing out amid the difficulties resulting from the transformation of the globe that the court of arbitration offered the governments its resources and the jurisdiction instituted by all, and that it was always ready. This jurisdiction had been boycotted. By a silent, senile understanding the governments thought to abandon The Hague



tribunal. On the morrow of its official creation it was about to perish through ill will, when you came to protest against the attempt which was threatening the liberties of the world. . . . Honor to your government, which has understood that, amid the general abstention, some one had to awaken the others from their lethargy and lead them forward in the way of justice and progress.”—*From letter to President Roosevelt from Baron de Constant, one of the French members of The Hague tribunal.*

“It may be regarded as a greater triumph of President Roosevelt that he has induced the belligerent nations to take their cause into this new court of nations than it would to have effected an acceptable settlement himself. It is a more certain step in the world’s progress toward a reign of peace and a repudiation of war. In the magnitude of the interest involved, we believe this to be the most important cause that has been submitted to the tribunal. . . . The dignity and majesty of the new court are thus suddenly enhanced. It begins to assume the grandeur of office that its friends had claimed for it. Its decision will constitute a more imposing precedent for the guidance of the nations than the decision of any individual arbitrator could do. It will determine national rights in a manner to formulate international law which nations will be bound to respect.”—*“Boston Herald.”*

“Yet when Germany and Great Britain appeared frankly to accept the American viewpoint, that the United States should be the court of last resort in any dispute involving another American republic—when the opportunity was presented to enhance the prestige and confirm the position of the United States as the dominant power of the western hemisphere—we saw the state department apparently recoiling from that opportunity and apparently intent upon referring the decision to a tribunal practically created by the concert of Europe and necessarily dominated by European ideas and influences. That the state department should take this position—that its influence should evidently be exerted to induce the president to de-

cline a task which, though it be regarded as a burden, is obviously a plain national duty—is simply astounding.”—*Chicago "Inter-Ocean."*

“The court is essentially a European tribunal, but Europe has hesitated to use it, while the United States has trusted and dignified it. And in this fact of its European character lies the only question about the full acceptability of its adoption in the present instance. We might not unnaturally feel some reluctance respecting the submission of American issues to a European court with the traditions, the bias and the influences associated with it. But the arbitration will not involve the Monroe doctrine or any issue of a distinctive American character. It will be limited to the validity of the disputed claims and the questions directly connected with them.”—*Philadelphia "Press."*

**Current  
Price  
Comparisons**

The following are the latest wholesale price quotations, showing comparison with previous dates:

	Jan. 21, 1902	Dec. 12, 1902	Jan. 12, 1903
Flour, Minn. patent (bbl. 196 lbs.)	\$3.95	\$4.10	\$4.10
Wheat, No. 2 red (bushel) . . . .	88 $\frac{1}{2}$	79 $\frac{1}{2}$	80
Corn, No. 2 mixed (bushel) . . . .	68 $\frac{3}{4}$	64	58 $\frac{1}{2}$
Oats, No. 2 mixed (bushel) . . . .	51	37 $\frac{1}{2}$	40 $\frac{3}{4}$
Pork, mess (bbl., 200 lbs.) . . . .	16.75	18.00	18.00
Beef, hams (bbl., 200 lbs.) . . . .	19.50	21.00	21.00
Coffee, Rio No. 7 (lb.) . . . . .	6	5 $\frac{1}{2}$	5 $\frac{1}{2}$
Sugar, granulated (lb.) . . . . .	4 $\frac{65}{100}$	4 $\frac{95}{100}$	4 $\frac{65}{100}$
Butter, creamery, extra (lb.) . . .	23 $\frac{1}{2}$	30	28 $\frac{1}{2}$
Cheese, State f.c., small fancy (lb.)	11 $\frac{1}{2}$	13 $\frac{1}{2}$	14
Cotton, middling upland (lb.) . .	8 $\frac{5}{16}$	8 $\frac{55}{100}$	8 $\frac{85}{100}$
Print cloths (yard) . . . . .	3	3	3
Petroleum, refined, in bbls. (gal.)	7 $\frac{9}{10}$	5 $\frac{65}{100}$ *	4 $\frac{65}{100}$ *
Hides, native steers (lb.) . . . .	13 $\frac{1}{2}$	14	12 $\frac{1}{2}$
Leather, hemlock (lb.) . . . . .	24 $\frac{1}{2}$	24 $\frac{1}{2}$	24 $\frac{1}{2}$
Iron, No. 1 North, foundry (ton 2000 lbs.) . . . . .	16.00	23.00	23.00
Iron, No. 1 South, foundry (ton 2000 lbs.) . . . . .	15.00	22.00	22.00

	Jan. 21, 1902	Dec. 12, 1902	Jan. 12, 1903
Tin, Straits (100 lbs.) . . . . .	24.00	25.45	28.37½
Copper, Lake ingot (100 lbs.) . .	11.00	11.65	12.37½
Lead, domestic (100 lbs.) . . . .	4.00	4.12½	4.12½
Tinplate (100 lbs., I. C., 14x20)...	4.40	3.95	3.95
Steel rails (ton 2000 lbs.) . . . .	28.00	28.00	28.00
Wire nails (Pittsburg), (keg 100 lbs.) . . . . .	2.00	1.90	2.00
Steers, prime, Chicago (100 lbs.)	—	6.10	5.75
Fine silver (per ounce) . . . . .	—	47⅞	48
Bullion value silver dollar . . . .	—	37	37½
Ratio, gold to silver . . . . .	—	1-43⅞	1-43⅞

\*In bulk, New York.

English prices of staple commodities, as given by the *London Economist*, are as follows:

	Jan. 3, 1902			Dec. 5, 1902			Jan. 2, 1903		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
Steel rails (long ton, 2,240 lbs.) . .	5	10	0	5	10	0	5	10	0
Scotch pig iron (long ton, 2,240 lbs.)	2	8	9½	2	14	3	2	13	4½
Copper ( " " )	48	13	9	50	13	9	53	7	6
Tin, Straits ( " " )	106	5	0	114	2	6	120	15	0
Tin Plate (108 lbs., I. C., 14 x 20)	0	12	6	0	11	7½	0	11	9
Sugar, granulated (112 lbs.) . . .	0	15	7½	0	15	7½	0	15	9
Lead, Eng. pig (long ton, 2,240 lbs.)	10	11	3	10	18	9	11	1	3
Cotton, middling upland (lb.) . . .	0	0	4⅞	0	0	4⅞	0	0	4⅞
Petroleum (gallon) . . . . .	0	0	6⅞	0	0	5⅞	0	0	6⅞

(American equivalents of English money: pound — \$4.866; shilling — 24.3 cents; penny — 2.03 cents.)

The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*, as follows:

	Dec. 31, 1901	Dec. 12, 1902	Jan. 12, 1903
Average, 60 railway . . . . .	102.99	103.03	108.53
" 10 industrial . . . . .	63.45	57.48	63.40
" 5 city traction, etc . . . . .	137.37	130.45	137.15

Prices of certain significant stocks on the New York stock exchange, showing range during the year, as given



by *Bradstreet's*, and the asking prices of certain other stocks, as furnished by the *New York Tribune*, are as follows:

	Closing Prices		Range during 1902	
	Dec. 11, 1902	Jan. 12, 1902	Highest	Lowest
Amer. Beet Sugar (com.) . . . . .	—	—	30	30
Amer. Sugar Ref. (com.) . . . . .	120 $\frac{1}{8}$	132 $\frac{1}{4}$	135 $\frac{1}{2}$	113
Amer. Tobacco (pref.) . . . . .	—	—	151 $\frac{1}{2}$	140
Cont. Tobacco (pref.) . . . . .	116	118	126 $\frac{1}{2}$	114
Gt. Northern Ry. (pref.) . . . . .	190	202 $\frac{1}{2}$	203	181 $\frac{1}{2}$
International Paper (pref.) . . . . .	72 $\frac{3}{4}$	—	77 $\frac{1}{2}$	70
N. Y. Central R. R. . . . .	151 $\frac{1}{2}$	153 $\frac{1}{2}$	168 $\frac{7}{8}$	147
Pennsylvania R. R. . . . .	153	155 $\frac{1}{2}$	170	147
Ph. & Read. R. R. (1st pf.) . . . . .	84	86	90 $\frac{1}{2}$	79 $\frac{7}{8}$
Southern Pacific Ry. . . . .	59 $\frac{1}{2}$	66 $\frac{3}{4}$	81	56
U. S. Rubber (pref.) . . . . .	50 $\frac{3}{8}$	57 $\frac{3}{8}$	63 $\frac{1}{2}$	49 $\frac{1}{2}$
U. S. Steel (com.) . . . . .	32	37 $\frac{3}{4}$	46 $\frac{1}{2}$	29 $\frac{1}{2}$
“ “ (pref.) . . . . .	81 $\frac{3}{8}$	88 $\frac{1}{2}$	97 $\frac{1}{2}$	79
Western Union Tel. . . . .	87 $\frac{1}{2}$	91 $\frac{1}{2}$	97 $\frac{1}{2}$	84 $\frac{1}{2}$
	Asking Prices			
	Dec. 12, 1902	Jan. 12, 1902		
North. Securities Co. . . . .	109 $\frac{1}{2}$	112 $\frac{7}{8}$		
Standard Oil Co. . . . .	665	736		
Swift & Co. . . . .	122	124*		
U. S. Shipbuilding (pref.) . . . . .	58	54		

*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities, averaged according to importance in per capita consumption, for January 1 and comparison with previous dates, as follows:

	Jan. 1 1893	Jan. 1 1898	Jan. 1 1899	Jan. 1 1900	Jan. 1 1901	Jan. 1 1902	Dec. 1 1902	Jan. 1 1903
Breadstuffs . . . . .	\$15.750	13.511	13.816	13.254	14.486	20.002	17.449	17.104
Meats . . . . .	9.315	7.336	7.520	7.258	8.407	9.670	9.935	9.522
Dairy, garden . . . . .	15.290	12.371	11.458	13.702	15.556	15.248	14.656	14.613
Other food . . . . .	9.595	8.312	9.096	9.200	9.504	8.952	8.913	9.418
Clothing . . . . .	13.900	14.654	14.150	17.484	16.024	15.547	15.781	15.938
Metals . . . . .	15.985	11.572	11.843	18.085	15.810	15.375	17.178	17.185
Miscellaneous . . . . .	14.320	12.184	12.540	16.312	15.881	16.793	16.537	16.578
Total . . . . .	\$94.155	79.940	80.423	95.295	95.668	101.587	100.449	100.356

\*Bid.

## THE WORLD'S GREATEST MINT

JULIUS MORITZEN

Coinage has gained its most practical and artistic expression in that splendid new structure which the government of the United States recently dedicated to the service of its citizens. In point of magnitude and architectural beauty this newest money-making plant is an institution emblematic of the nation for which it stands. It is the largest of the four hundred buildings owned by the federal government. Years of labor and almost \$3,000,000 were required to complete the work.

It was Robert Morris who, January 15th, 1782, placed before congress his scheme looking toward American coinage. Ten years later congress instructed Alexander Hamilton to report a workable plan for the establishing of a national mint. The act as framed passed both houses April 2d, 1792, and immediately received the approval of President Washington.

The early history of the United States mint is one of the picturesque features of the republic. When at the recent dedication the secretary of the treasury received the magnificent new structure from the contractors, and in turn handed over the keys to the superintendent of the mint, he had before him the consummate result,—the third progressive step in the evolution of American coinage. First, the little house of brick of that earliest period. Then, in 1833, the marble building, considered until recently the mint par excellence. And, as the Philadelphia mint stood the parent institution of all mints in the United States,—being, in fact, the first building erected under the authority of the federal government,—it remained for the Quaker city to obtain this latest, most improved structure of its kind extant.

The new mint, located at Sixteenth and Spring Garden streets, is, indeed, a twentieth century revelation. From the massive granite exterior to the minutest electrical de-



The New Philadelphia Mint

vice employed, it bespeaks national security and national strength, as well as unmatched progress in mechanics. Its style the pure Italian renaissance, including terraces, the building is 395 feet in length. Simple in outline, this very simplicity makes it the more architecturally effective.

The main entrance reveals some splendid decorative features. The immense bronze doors are in themselves works of art that appeal both to the eye and mind. They seem to say that, because their duty is to guard the nation's treasure,—it is not uncommon for three hundred million dollars to be contained within,—yet there can be artistic conception in the very ponderosity that protects.

As the visitor ascends the granite steps the national emblem of the eagle becomes conspicuous, carved in marble and keeping vigil over the grand staircase immediately across the entrance hall. But, before a more intimate



inspection of the surroundings is permitted, one of the numerous guards presents himself. In his charge the visitor is afforded every facility for observing how the government makes the money of the realm.

Before the actual operations of the mint are brought home to those who care to know, the magnificent foyer should not be passed through carelessly. No other mint in all the world has such an entrance. Along the walls runs a wainscoting of English veined Italian marble, ten feet high. But the most decidedly unique effect,—the feature which conveys to the mind the purpose of it all,—is told through the series of panels that adorns the arches. Here, with children as the workmen, the ancient method of coinage is pictured. Executed in Tiffany Favrite glass mosaics, the idea was suggested by a fresco found in the house of Veteii which, buried by the eruption of Vesuvius, was brought to light not many years ago. This Roman allegory is the only means at hand for knowing the methods employed by the coiners of those ancient days. To the



Entrance to the Mint

receptive mind the mosaics are a fit introductory to what the visitor is to see.

The story has been told before how gold and silver and the baser metals are coined into money that bears the country's guarantee. It is the present purpose to dwell principally on those features that are innovations and that place the new mint in advance of every other mint. The parting and refining processes, to be sure, are intensely interesting from a technical standpoint. Likewise, the assaying department is a scientific branch that requires exceptional skill. But to the visitor of the day there is more of immediate comprehension in the great smelting room.

Gas for heating purposes has revolutionized the smelting room, where coal was formerly the fuel. Here thirteen furnaces give a capacity equal to the output of all the other mints combined. The heat of this department, formerly so annoying to the workers of the metals, has been reduced to its minimum. Gloves are no longer needed for the handling of the tools. With naked hands the operators can open and close the furnace doors without suffering injury through contact. Then the advantage of an almost total absence of dirt. There is little waste, besides, where no ashes are to be met with. And, since the gas permits of an absolutely even heat being maintained in the furnace, the alloy comes almost perfectly true when it leaves the crucible for the ingot.

Just as gas has supplanted coal in the smelting room, electricity has entered as the handmaid in the rolling department. As its name implies, the function of this department is to reduce the ingots to their proper thinness for coining. Nine powerful machines, each equipped with separate motor and dynamo, here do the work as it has never been done before in any mint. Uniformity, that much desired quantity of the coiner's art, has been achieved, since electricity now does the bidding of a single touch. The strips of metal now give the workers but little trouble, where until recently annoying drawbacks were frequently met with.



Smelting Room

In the process of annealing, radical departures have increased the efficiency of the heating machines. Feeding themselves automatically, the annealing furnaces here, too, use gas instead of wood, as formerly. A marked saving of time has followed this innovation. It only requires seven minutes for a strip of gold to pass through the automatic furnaces, where the wood fire did the annealing in no less than forty minutes, and then not so well. In all other mints the blanks are next cooled by hand; by some ingenious arrangement the Philadelphia mint has done away with the handling of the strips, for a fine spray of water descends evenly over the metal before it strikes the air. In this way oxidization is entirely prevented.

When the planchets reach the coining room they have attained to their intrinsic worth, less the stamp which gives them currency. A wonderful workshop indeed is this coining room. Twenty-four presses, with touch as vital as it is sure, here write a language that needs no special inter-



pretation. The banker and the beggar, the grave and gay, all know the magic that spells gold and silver. The coining of minor pieces—those of nickel and copper—is confined exclusively to the Philadelphia mint, it may be remarked in passing.

The bullion having become legal tender, the next stage is the counting room. In less time than it takes to write it, twenty-five dollars' worth of five cent pieces can be disposed of on the counting board. And from here the coin goes to the transfer vault, the massive doors to which are only less immense than those that protect the vaults beneath the ground.

Numerous safeguards, many of intricate device, surround this institution. The treasure of the country needs protection, both from without and within. Balancing to a thousandth part of an ounce, the most delicately constructed scale is in its own sphere as important a protection as the steel doors of eight tons' weight. From the very minute the bullion enters the mint, and continuing along the route of processes until the coin is ready for its outer mission, the scale and the balance set up standards to violate which is a government offence. No bank is so exacting, no record kept so clean, as in this wonderful money-making factory of Uncle Sam. Every ounce of silver, every penny coined, is accounted for, invariably, before the cashier of the mint calls his day's work done.

During the past fiscal year the Philadelphia mint turned out 152,558,878 pieces of money of all denominations. But this period covers operations carried on largely at the old establishment. The new mint has a capacity perhaps twice as great as the other.

Far beneath the surface of the street lie the great vaults, where this mass of money is guarded with a secrecy surpassing that bestowed on any other house of treasure. In this subterranean realm no visitor can enter. It was no uncommon thing for those especially privileged to gain admission where millions upon millions of gold and silver coin were kept stacked ceiling-high in the former institu-

tion. The superintendent of the new mint has received the peremptory order from the secretary of the treasury that public curiosity is no longer to be gratified so far as concerns the vaults. Sentinels stationed in this part of the building see to it that the order is carried out to the letter. Not even the officials, except those immediately identified with this department of the mint, are permitted within the zone prescribed.

The vaults in question are the largest, most perfect, of their kind in the world. Each is protected by a set of three doors. Of these the outer door is of a ball-bearing construction in use nowhere else. The four combination locks, and the immensely thick armor plate of which the doors are made, are proof against whatever attack. The vaults, in fact, are invulnerable.

Further safety in the mint is guaranteed through the complete electric clock system. There are thirty of these time-pieces scattered throughout the building, besides forty others connecting with a master clock. Fifty-one



The Rolling Machines



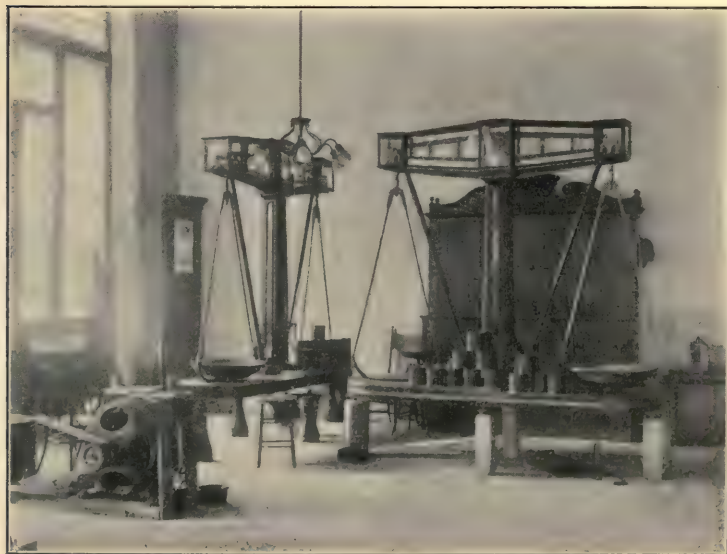
Coining Room

telephones, an ink writing telegraph register, which indicates an alarm from any or all of the thirty-five alarm boxes, and the wonderful switchboard on which is mounted the fuse block, fire alarm recorder, American District and Western Union call boxes, the police telegraph and city fire alarm boxes, are features of protection and convenience no other mint can boast.

Like the great vaults, the department of engraving is not for the public eye. An exception, however, was made in the present instance, that the readers of this magazine might learn the importance that attaches to this department. It is the task of the engraver of the United States mint to make every die used by all the mints. Fitted up like a studio, with every facility for the making of artistic designs, the most exacting painter or sculptor would find delight in the charming surroundings of the department of engraving. Statuary of both ancient and modern kinds adorn the premises.



All medals of a national character—the West Indian campaign medal and kindred emblems—are executed here, as well. It may be remarked in this connection that the assay commission of the United States holds its annual meeting in the Philadelphia mint. Specimen pieces of every gold and silver coin minted in Philadelphia, San Francisco and New Orleans, during the year, are here passed upon. If the weight is found to be in accordance with governmental requirements, the sample coins are sent to the assayer's office for the final test. The commission receives no other pay than its mileage. However, the appointment, by the president, is considered an exceptional honor. And that the members may not return to their homes empty-handed the engraver of the United States mint presents each with a memento in the shape of a handsome souvenir medal. As the last assay commission met shortly after the new mint had been finished, a picture of the structure in high relief was featured on the souvenir. The year before, the bust of the late President McKinley graced one side of the medal.



The Scales

The numismatic cabinet in the Philadelphia mint is considered the finest collection of coins in the United States. Displayed to excellent advantage in the new quarters, the ancient and modern pieces may be studied here as chapter upon chapter of a story writ on metal. The histories of emperors and of nations are retold graphically through the money of their times.

Like another temple of Juno, the Philadelphia mint has attained the goal of its endeavor. This magnificent structure will remain for many years a model not easy to surpass. And as today the coinage of the Roman empire is the most striking evidence that remains of the effective operation of the Roman mint of old, so the golden eagles coined in this twentieth century institution will bear lasting testimony to the perfection of the structure and the workmanship that created the money of the year 1902.





"The philosophers have laid the greatness of man in making his wants few; but will a man content himself with a hut and a handful of dried pease? He is born to be rich. . . . The pulpit and the press have many commonplaces denouncing the thirst for wealth; but if men should take these moralists at their word, and leave off aiming to be rich, the moralists would rush to rekindle at all hazards this love of power in the people, lest civilization should be undone."

—*Ralph Waldo Emerson.*

# GUNTON'S MAGAZINE

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## THE NEW ANTI-TRUST LAW

At last congress has delivered itself of its anti-trust burden. Nothing has occurred in many years more completely revealing the flippant and demagogical character of politics in congress than the pulling and hauling, the dicker-ing and posing to the galleries on this question of anti-trust legislation. Nor has this been confined to any particular section, faction or party. It has characterized both branches of congress and the administration as well.

In the cabinet, in the house of representatives, and even in the senate, there have been but few instances of dignified, statesmanlike bearing on this subject. Scarcely a speech in either house or by any member of the administration party has been delivered on this question which will bear reading in ten, or even five, years from now. The whole performance seems to have been a discreditable squabble between the two parties as to which should have the greatest amount of credit for an anti-corporation policy. The administration has been constantly in conference with one faction or another, making new bills and killing old ones, in the hope that "something" would be done against corporations. No matter what, so that "something" is done.

Such lack of statesmanlike straightforwardness, such maneuvering pretence, such "playing to the galleries" and catering to mere popular prejudice in what should be the field of highest statesmanship has seldom been exhibited, and may it be long before the like is seen again. All this is really the fruit of Bryanism materialized through a republican administration and a republican congress. The anti-corporation agitation born of populism was taken up by

Mr. Bryan as the issue of "the people against monopoly." This was used as voicing the cause of the poor against the rich, the weak against the strong, the "masses against the classes." It is not to be assumed that those who preached this gospel believed half of it, but it was a taking issue. It gathered every faction of social and economic protest under its banner. Socialists, populists, grangers and single-taxers, all easily flocked under such a war-cry against the rich. This served the purpose of Mr. Bryan's leadership as nothing else could. Under the spell of inflammatory oratory and sensational journalism it rapidly grew into a public and well-nigh national sentiment. Instead of combatting this wave of uninformed feeling and class prejudice, and standing for sound, conservative, economic policy as the bulwark of national progress, the republican party swallowed its principles and began to compete for anti-corporation popularity.

On the assumption that "something must be done" to prevent the democrats from carrying off the anti-trust palm, the president made the "trust evil" his theme in his New England itinerary last summer, and to insure the fruits of this fearless "bearding of the monopolies" it was given out that congress must pass an anti-trust measure of "some kind" or a special session would be called. Consequently, with the opening of congress came a flood of anti-trust bills. Not to be outdone, the republicans presented more bills than the democrats; and, if possible, they were more drastic and impractical. The bill introduced by Mr. Littlefield, who paraded the country all summer as the personal representative of the president on the subject, was one of the most radical and indefensible measures in the whole list. From the opening of congress until within a fortnight of the close, it has been the leading topic—not of discussion, but of time-absorbing maneuver; the evident intention has been not so much to give the country a rational, conservative law governing corporate enterprise as to furnish material for a campaign issue and pose as the friend of the "common people" against "monopolies."



Such a conclusion is borne out by the conduct of both parties in every step of the anti-trust proceeding. The administration party, being in the majority, has taken the lead in both house and senate, and the wildest and most rabid measures have emanated from this source. The first step was to appoint a special committee to consider the subject, of which Mr. Littlefield was made chairman. To this committee the bills were all submitted, and after constant conferences with the administration he reported a bill, worse in most respects than the worst that was submitted,—a bill which would leave Mr. Bryan and the populists no vantage ground on the trust question. It made the republican party more populist than the populists. Having the approval of the administration, it passed the house; the democrats could not oppose it because it was worse than their own, and under the spur of party discipline the republicans voted for it.

Here another struggle ensued. The administration was as positive as ever that "something" must be done. Nobody knew exactly what it should be, only it must be "something." Senator Elkins, of West Virginia, introduced what was all in all an effective and somewhat rational measure. It provided for preventing the railroads from discriminating in freight rates. It provided for the publication of the rates, imposed adequate penalties for neglect and also for any deviation from the published rates. It guaranteed equal treatment of all shippers by all common carriers, which is eminently proper and necessary to fair economic competition. But this was not enough; something more drastic must be accomplished. A struggle was made to get an altogether more inquisitorial measure adopted, to which end white house conferences were of frequent occurrence,—so much so that Senator Hoar felt called upon to rise in the senate and publicly rebuke the president for usurping the function of the legislative departments of government.

In order to stimulate prejudice against large corporations and increase sentiment for this kind of legislation, it

was given out and published throughout the country in the most sensational manner that Mr. John D. Rockefeller had telegraphed several United States senators asking them to oppose the bill. To this sensational scheme the president lent his influence to the extent of saying that while he had not seen the telegram he had heard that it had been received by several senators. No such telegram was sent by Mr. Rockefeller. The whole thing was an invention scarcely less brazen than the notorious Morey letter, which so nearly succeeded in defeating the election of Garfield.

Suppose Mr. Rockefeller had sent the telegram. What of it? He has the same right to send a telegram to any congressman or United States senator as any other citizen. It is preeminently the right of every voter to petition congressmen individually, or congress collectively, for or against any measure; and they all do it. When the workmen want something they flood congress with postals and letters. When manufacturers want something they do the same. When a tariff bill is under consideration, congress is besieged with the representatives of different concerns, favoring or opposing some particular schedule which bears most directly on their own interests. Then why all this hubbub about Mr. Rockefeller? The simple fact is that those who were trying to "boost" this anti-trust legislation through congress knew that in the present state of prejudice against trusts and against millionaires, nothing would contribute more effectually to the popular passion than to raise the cry that the trust was trying to coerce congress. Such methods of promoting legislation belong to yellow journalism and sensational politics, and ill-become the representatives of a national administration.

The final outcome of this partisan effort to do "something" against corporations, besides passing the Elkins bill, is to establish a department of commerce and labor, the secretary of which is to be a cabinet officer, with the same salary (\$8,000) and status as the other members of the cabinet. The secretary of this department is to have all the inquisitorial power stipulated in the Littlefield bill,

which is to go into the private affairs of any and all corporations as he may determine, and demand any secret information under penalty of fine and imprisonment for refusal, and this information is to be made public or not at the discretion of the president. It is presumably to be made a basis for his recommendations for legislation or prosecution, and, when he so decides, may be given to the public. The act creates a commissioner of corporations, at a salary of \$5,000, to be appointed by the new secretary of commerce and labor, whose duty is thus set forth:

"The said commissioner shall have power and authority to make, under direction and control of the secretary of commerce and labor, diligent investigation into the organization, conduct, and management of the business of any corporation, joint stock company, or corporate combination engaged in commerce among the several states and with foreign nations, excepting common carriers subject to "an act to regulate commerce," approved Feb. 4, 1887, and to gather such information and data as will enable the president of the United States to make recommendations to congress for legislation for the regulation of such commerce, and to report such data to the president from time to time as he shall require; and the information so obtained, or as much thereof as the president may direct, shall be made public."

It will be seen that this measure creates inquisitorial power over private affairs never before vested in any public official; it gives that power exclusively to the president, and makes the use of that power entirely discretionary with him. The simple English of this is—that without consulting anybody or being responsible to anybody the president may order an investigation into the private affairs of any corporation he sees fit, and he may give this information to the public or withhold it, as he may desire.

Patronage is already a power by which the president can practically dictate a second nomination regardless of merit or popularity. This same power is an effective instrument in the hands of the coercive bosses throughout the country. The use of this appointing power has made the unscrupulous boss a political blackmailer. It has enabled him practically to sell nominations, dictate legislation and coerce contributions from business enter-



prises. In short, it is one of the corrupt forces in American politics. Yet, bad as all this is, it is not a circumstance to the power of dictation and blackmail created by this bill.

Under this measure the president would have the power practically to injure and often to ruin a corporation that would dare oppose his policy. Let any large so-called trust refuse to make its proper campaign contribution, or oppose any legislation that the president wanted, and he could order an investigation, take up all its private affairs and spread them before competitors, and if necessary have it prosecuted, and on the smallest pretext interfere with its interstate business. All that is necessary is to have a man in the white house of the Quay-Platt calibre, or even of the Bryan populistic zeal, and we would have the most high-handed, coercive and business-disrupting as well as blackmailing performances that ever occurred. The buying and selling of a few congressional nominations, or the corrupting of the congressional lobby, would not be a circumstance to the coercive and corrupting use of such power in the hands of a modern political boss or a zealous populistic politician. The temptation to use such power is well-nigh irresistible. There is no limit to the length to which men will go in the use of political power to secure nomination or election to the presidency. This power could be used against corporations for refusing to elect a candidate or a party just as well as it could for opposing or refusing to aid in securing a nomination. Men usually above suspicion cannot be trusted with any such power under the impulse of political ambition.

It is well known that investigating commissions are sometimes created for the sole purpose of promoting partisan ends. A conspicuous instance of this kind was the Mazet committee which investigated the Tammany administration in New York city. That committee was suggested solely for the purpose of creating an issue for the republican party in New York, and the person suggesting it gave that as the only reason. To be sure, the committee was a farcical failure, mainly because it was a perfunctory

partisan effort. So long as it could make Mr. Croker expose himself and his methods it seemed zealous, but the moment its counsel, Mr. Moss, insisted on calling Mr. Platt as a witness it adjourned *sine die*.

If such use could be made of the power of investigation under present laws, and with a man like Theodore Roosevelt for governor to appoint the commission, what might we not expect with the inquisitorial and coercive powers over corporations created by this bill in the hands of unscrupulous politicians and anti-corporation zealots?

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As we go to press, the senate judiciary committee has voted to report favorably Mr. Littlefield's bill, with certain amendments, which make it more inquisitorial and coercive than when it passed the house. Section 5, which prohibits rebates, is stricken out, that having been covered by the Elkins bill already referred to. In place of section 6, prescribing the pains and penalties for enterprising business which may interfere with competitors, the committee adopted the following, in comparison with which Mr. Bryan's speeches and the Kansas City platform are dignified conservatism:

"That no corporation engaged in the production, manufacture or sale of any article which may be the subject of interstate commerce, attempting to monopolize the production, manufacture or sale thereof in any state, by discrimination in prices or by giving special privileges or rebates, or in any manner whatever, in order to prevent or hinder competition therein, with respect to such articles, shall in any way engage in interstate commerce for the purpose of aiding or facilitating, either directly or indirectly, such production, manufacture or sale, with intent to monopolize the production, manufacture or sale of any such article; nor shall any other person or corporation in any way engage in interstate commerce, in buying, selling or disposing of any such article of commerce for the purpose of enabling such first mentioned corporations to engage, or to continue to engage, in such production, manufacture or sale with such intent.

"The business of any person or corporation engaged in the manufacture, production or sale of any manufactured article that may be the subject of interstate commerce, which by reason of ownership or control of land, growing timber or other vegetable products, or con-

taining coal, oil or other minerals, or metals used in the manufacture of such articles, or by reason of ownership or control of the instrumentalities of manufacture, production or sale shall have the power to control or affect in whole or in part the price of said articles throughout the United States, so as to prevent, forestall, stifle, destroy or hinder competition therein, and which shall be so conducted in whole or in part so as to prevent, forestall, stifle, destroy or hinder such competition, is hereby declared to be a monopoly within the meaning of this section. The foregoing definition shall not be held to include a business founded on a secret process so long as the secret is confined to one manufacturer or producer.

"Any person violating either of the provisions of this section, or of aiding, abetting, assisting or counseling any other person or corporation to violate the same, is to be punished by the fine of \$5,000 and imprisonment for five years, and corporations are subjected to the fine only for every sale of goods, wares or merchandise for shipment outside the state where the corporation is located and doing business, with intent to monopolize, every contract for such sale, and every shipment of such articles pursuant to such sale or contract, and every act of discrimination with such intent, in prices, or of giving special prices or rebate, is considered a violation."

In place of Section 7, the committee has inserted a section making it unlawful, with the same penalties, for any corporation hereafter organized to engage in the interstate commerce when:

"First—The capital stock of such corporation has been fixed at a sum greater than the sum actually paid in cash or in property at its actual cash value, unless the excess has been actually subscribed by bona fide subscribers and is subject to call in the manner provided by the law of the state where organized.

"Second—The paid-up capital stock of such corporation has been increased by the purchase of its own stock or the stock of other corporations at a value in excess of a fair cash value of the latter; or paid for with its own stock at a valuation less than a fair cash value.

"Third—The paid-up capital stock of such corporation has been increased by the purchase of its own stock of property at a valuation based on earning capacity and good will, when such valuation is in excess of the cost of duplicating said property, if the property be manufacturing or producing plants, railways or steam vessels, or is in excess of its fair cash value if the property be mines, real estate, or any class of unimproved property."



## IMPORTANCE OF CURRENCY REFORM

HON. CHARLES N. FOWLER

In his report for 1890, Hon. William Windom, secretary of the treasury, well said:

"In my judgment, the gravest defect in our present financial system is its lack of elasticity. . . . The demand for money in this country is so irregular that an amount of circulation which will be ample during ten months of the year will frequently prove so deficient during the other two months as to cause stringency and commercial disaster. The crops of the country have reached proportions so immense that their movement to market in August and September annually causes a dangerous absorption of money. The lack of a sufficient supply to meet the increased demands during those months may entail heavy losses upon the agricultural as well as upon other business interests."

How significant are these words in the light of the present crop situation. By the census of 1900 the total of the farm products of 1899 was \$4,739,118,752, of which products worth \$974,941,046 were fed to live stock, leaving \$3,764,177,706 as the net value of the products, inclusive of the seed grain and living of the producers. The value of all live stock is given at \$2,981,722,945.

There is little doubt that practically all the farm products that are marketed, amounting approximately to \$3,000,000,000, are sold between the months of July and January. That an acute monetary situation arises invariably during the months of September and October is proof absolute that unusual conditions then exist.

The cotton, grain, and stock dealers pay for these vast productions with checks; but the farmers, the cotton and grain growers and the stock raisers make little use of this form of payment, requiring in its stead some form of currency to pay wages, buy supplies, make settlements, and provide their families with the necessities of life.

That this is so is evidenced by the fact that during the days intervening between the 16th day of July and the 15th

day of September, 1902, about \$100,000,000 of cash was drawn from the reserves of the banks and sent into the country to enable the farmers to market their products. *If the banks could have supplied them with their own currency, the reserves would not have been reduced by this vast sum.* Of the \$100,000,000 of reserves so taken from the banks, \$46,000,000 was taken from the national banks in the form of gold coin or gold certificates and United States notes in denominations of \$10 and multiples thereof, while an additional sum of reserve money, amounting to \$16,000,000, was withdrawn from the national banks in the form of silver or its representatives and the smaller denominations of United States notes.

During the last few years the expansion of bank notes in Canada every fall has approximated \$10,000,000, and has been followed by a contraction to an equal amount. A corresponding expansion and contraction in this country, where conditions are very similar, during the same months would range from \$150,000,000 to \$200,000,000. As I have just pointed out, however, the withdrawal from the banks of \$100,000,000 of reserve money last fall, when there was an actual need of about \$200,000,000 of additional credit to properly handle the crops of the country, must have contracted loans or curtailed credit by at least \$400,000,000. Anomalous as it may seem, as our needs for the tools of trade increase they as certainly at the same time decrease correspondingly.

It was to overcome the effects of this disastrous withdrawal of the reserves from the banks that the secretary of the treasury compelled the increase of bank-note circulation by \$25,000,000, and through straining a statute forced \$24,000,000 of the public moneys into the banks, and, against sound public policy, paid out \$23,000,000 for government bonds at exorbitant prices. What might have happened had the country not been in a sound commercial condition, or the secretary of the treasury had been less patriotic and resourceful, it is easy to imagine. All that might have occurred may still be visited upon us in the fall of 1903, and it

certainly will be if we make no provision for the constantly increasing demand for those particular tools of commerce that are essential to an easy and economical distribution of our vast productions.

One may most naturally inquire whether our more than \$29 per capita, which is a considerable increase over recent years, is not quite adequate for our commercial needs. Let it be remembered that from the total amount of \$2,249,390,551 in circulation the following must be deducted: First, the amount held by the national banks, \$597,287,908.23, and second, the amount held by other banks, \$250,815,787. This leaves only \$1,401,286,856 in the hands of the people July 16, 1902, or \$17.71 per capita, an amount not greatly in excess of that in their hands in 1895, it being \$14.72 per capita at that time.

Again, we are apt to lose sight of two facts: First, that our exchanges amounted to only \$45,545,110,059 in 1894, and reached \$118,000,000,000 in 1902; second, that the total amount of deposits in the United States in 1895 was only \$4,886,899,331, and that it had reached July 1, 1902, the splendid total of \$9,158,726,011, for which the reserves must be about doubled. But the amount of United States notes was \$346,000,000 in 1895, and it is the same today. The amount of silver in its various forms was \$624,731,483, and is \$667,318,962 to day. Therefore, if by any chance this additional demand for reserve money is not more than met by our increased holding of gold, the currency of the country must be withdrawn from the channels of trade and used in building up an adequate reserve for our constantly increasing deposits.

When we recall the fact that the United States treasury is bound, from the unfortunate situation in which we have placed ourselves, to furnish gold to all the world free, as it were, because it cannot interpose a protest or bar without repudiation, as it might do in the form of an increased rate of interest were it a money lender, every thoughtful man who has grasped the situation must realize that it is



indeed appalling and at no distant day will bring its overwhelming disaster.

However, what the people actually had in hand in 1893 or are using today is of little or no significance, since so many factors affect the quantity of money at any time actually in the hands of the people of any country.

The amount of wages paid, the character of living, the presence or absence of banks of deposit, and the habits of the people are all controlling forces in determining the per capita circulation in actual use by the people. Ten dollars per capita may serve the people of Switzerland as well as \$35 per capita may meet the needs of the French who live just over the border.

The question, therefore, is not how much currency we have, but whether we have sufficient to do our work at all times of the year and of such a kind as will expand and contract, always adjusting itself to our varying needs and protecting us against currency panics, which ought not to occur anywhere nor at any time.

Our invariable currency panic every fall has long since convinced every candid observer that there is something radically wrong with our practice or scheme, which cannot be dignified by calling it a system.

The amount of checks and currency that any *business house* uses varies with the amount of the business it does, if, indeed, it is fortunate in getting sufficient currency to answer its requirements. Is it not equally desirable that the currency of a country as a whole should be responsive to the demands of trade, always coordinating itself with the particular amount of work to be done by it, as distinguished from checks and drafts of which there is always one ready to effect the transaction calling for its peculiar use?

This was never the characteristic of the United States note. The quantity is fixed. It can never be the characteristic of silver or its representatives in the form of certificates, unless silver be the standard of the country and a banking agency controls its inward and outward flow.

Gold, being the standard of value, may under given

conditions and proper financial influences adjust itself to the demands of trade if the quantity in use varies but little during the year, as in Great Britain. But gold is too expensive, certainly unnecessarily expensive, and, where the seasonal demand is greatly in excess of the average amount needed, the acquirements and disposition of an adequate supply to meet such seasonal demand would be difficult indeed; yes, impossible.

Great Britain alone relies upon gold or its representative for its currency; and if at a given time of each year there was an actual need of two hundred millions more of notes to do work which it was quite impossible to effect through checks and drafts, she would exhibit at each recurring season currency panics of greater or less violence in proportion to her ability to meet the demand by drawing a requisite amount of gold from the reserves of the rest of the world. To obtain \$150,000,000 of gold, the approximate amount of additional currency we need every fall at the lowest calculation to move our crops, would be physically impossible, and she would fail utterly in the attempt. But the demand for additional currency varies but little in Great Britain throughout the year, and her task is comparatively easy, while we should find her policy impossible, owing to the changed conditions, even if we were disposed to adopt it.

The time has come when every one realizes that United States government bonds will no longer furnish a sufficient basis for an adequate supply of currency, even though that form of currency were profitable, which it is not. Indeed, were it not for the policy of force applied by the secretary of the treasury, the banks would now be retiring their circulation, because unprofitable, at the rate of \$3,000,000 per month, the maximum allowed by law, and this, too, in the face of a constantly increasing demand for more bank notes.

Will any man who has given the subject an hour's serious consideration have the hardihood to propose that the government shall accept municipal, railroad or other bonds as a basis of circulation and so perpetuate a currency that

never has and never can have a natural relation to the business of the country?

Certainly, no one would suggest that the banks be allowed to issue more than 75 per cent. of the par value of such securities. Therefore, should our producers need during the crop-moving period \$200,000,000 of additional currency, it would be necessary for the banks to first take at least \$250,000,000 of their cash capital, and when due allowance is made for the premiums paid for the bonds, possibly \$300,000,000 of capital, and invest it in securities for the purpose of getting the \$200,000,000 of bank notes. In other words, the loanable funds of the banks would be decreased by \$100,000,000 just at the very time that there was a demand for an increase of \$200,000,000.

From what has been said I think we may fairly assume that neither United States notes, silver, gold, government bonds, nor any other securities will furnish us the currency that our peculiar trade conditions demand.

I am convinced that if congress will only reflect long enough to come to a realization of the great economic truth that a personal check of a depositor and a true bank note are identical in principle it will solve a problem that otherwise must remain forever a mystery, while it goes on blundering to the incalculable cost of commerce and the inconvenience of and the injustice to that great majority of our people who do not make deposits and draw checks against them.

If A and B, men of unquestionable credit, join in a note for \$1,000, which they give to a bank, it is immaterial to the bank, so far as its liability is concerned, whether it gives A and B in return a draft on some distant city for \$1,000 or places the amount to their credit, against which they may draw checks in the usual way, or certifies checks for them amounting to \$1,000, or giving them its own notes or cashier's checks payable to bearer for a like sum.

The draft, the uncertified checks, the certified checks, and the bank notes or cashier's checks payable to bearer are all forms of credit, and equally express a debt of the



bank amounting to \$1,000, which the bank is bound to pay.

Now, if it is reasonable to compel a bank to deposit United States bonds to secure its cashier's checks payable to bearer, it is equally reasonable to compel the bank to deposit United States bonds to secure the payment of the draft given to A and B, or the payment of their checks amounting to \$1,000. Such a practice would eliminate all credit from commerce and, in effect, take us back to a system of barter.

Daniel Webster truthfully uttered the following words on March 18, 1834, in the United States senate:

"Credit is the vital air of the system of modern commerce. It has done more a thousand times to enrich nations than all the mines of the world. It has excited labor, stimulated manufactures, pushed commerce over every sea, and brought every nation, every kingdom, and every small tribe among the races of men to be known to all the rest. It has raised armies, equipped navies, and, triumphing over the gross power of mere numbers, it has established national superiority on the foundations of intelligence, wealth, and well-directed industry. Credit is to money what money is to articles of merchandise."

All agree that any currency proposed must be safe beyond question; but a credit currency can be made as safe as any currency. No one who has investigated the subject cavils any longer about the method proposed for protecting the notes against default.

According to a special report made by the comptroller of the currency, if all the United States bonds which were deposited with the government from 1863 to 1901, inclusive, to secure the payment of the notes of the national banks which had failed, had been lost, an average annual tax of *only eight one-thousandths of 1 per cent.* upon the notes outstanding during that thirty-eight years would have paid all the notes of the failed banks that remained unredeemed.

There is one other thought to which I desire to call attention, and that is the false view almost universally presented, with regard to the necessity of a tax for the purpose of repression. Any tax, except a nominal one, unless, perchance, it was prohibitive, would have no other effect than

to burden commerce and repress issuance when absolutely needed in the conduct of the business of the country.

Banking, like all other kinds of business, is founded upon selfishness; and, if that element be eliminated, the public would retire from banking or any other kind of business. A tax, therefore, of four or five per cent. upon a note-issue would be unwise, first, because it would eliminate all profit, and second, because it would not accomplish the object which those have in view who advocate it, to wit, the return of the notes when not needed. For no one is interested in the return of the notes, however much the issuers are desirous of getting them back.

On the other hand, if the tax is nominal, every bank desirous of issuing its own notes will return forthwith the notes of other banks for redemption in order that it may have larger reserves against which to issue its own notes, or loan its credit.

That the law of selfishness, asserting itself, will keep the notes perfectly coordinated with the business of any country is proved beyond dispute by the following tabulated statement:

Country	Authorized issue	Actual issue
France.....	\$1,000,000,000	\$814,000,000
Scotland.....	148,000,000	40,000,000
First United States Bank.....	10,000,000	5,000,000
Second United States Bank.....	35,000,000	23,000,000
Bank of Indiana.....	6,600,000	4,900,000
Bank of Iowa.....	2,096,000	1,400,000
New England Suffolk system.....	123,000,000	44,000,000
Canadian banks.....	65,000,000	54,000,000

Not only do these figures demonstrate the fact that a credit currency, currently redeemed in the standard coin of the country, has never reached the authorized or possible issue of these countries, but a most exhaustive examination of the instances where the principle of a credit currency has been invoked justifies the assertion that in no case have they been an instrument of inflation.

This conclusion is further supported by the average

life of credit notes so far as I have been able to obtain data with regard to them. On this point I wish to call attention to the following facts, not only as suggestive, but conclusive:

	Days.
The note of the Scotch banking system remains out.....	18
The note of the Canadian banking system remains out.....	30
The note of the New England (Suffolk) system remained out.....	45
The note of the national banking system remains out.....	730

I also desire to call particular attention to the fact that in the case of our national bank notes the redemptions only signify a return of the notes when the paper has become worn out.

Of course, I do not wish to be understood as saying that national bank notes are not often returned for the purpose of redemption itself; but, economically speaking, it may be asserted that there has been no such thing as commercial redemption of our national bank notes.

In conclusion, I desire to lay down the two essential qualifications or elements of a sound credit currency:

First. There should be an adequate coin reserve.

Second. There should be a mechanical device for constant, frequent and swift redemptions.

Given these elements, there is not the slightest difference between cashier's checks, which are credit notes, and the checks drawn against the ordinary bank-deposits.



## POVERTY AS A CHARACTER BUILDER

In his almost classic eulogy of Abraham Lincoln, at the Lincoln dinner in New York city, February 12, 1903, ex-Governor Black gave utterance to this extraordinary sentiment:

"It is not wealth that counts in the making of the world, but character. And character is best formed amid those surroundings where every waking hour is filled with struggle, where no flag of truce is ever sent, and only darkness stays the conflict. Give me the hut that is small enough, the poverty that is deep enough, and the love that is great enough, and I will raise from them the best there is in human character." (Applause.)

It often happens that correct statement and sound principle are sacrificed to rhetoric. The after-dinner orator too frequently allows a plausible sentiment or a taking epigram to have the right of way over accurate statement and sound thinking. The *Boston Herald* once said of Wendell Phillips that he would never spoil a sentence to avoid a lie. In his Lincoln dinner speech ex-Governor Black evidently was a victim to this tendency and preferred the rhythm of rhetoric to accuracy of fact or soundness of principle.

It would indeed be difficult to construct a sentence that contained a more complete inversion of the facts as revealed in human experience than this statement of ex-Governor Black. It is contrary to all that is known in history or personal experience; it is contrary to good thinking. If it were adopted it would be disastrous to civilization; and above all it is contrary to anything and everything that Abraham Lincoln ever said or did. There is a modicum of truth in the first sentence: "It is not wealth that counts in the making of the world, but character." Often this is only partly true, because the use of wealth and the creation of wealth are necessary to the building of character. Take away wealth and reduce the world to poverty, and there will be very little character in it. But to say: "Give me the hut that is small enough, the poverty that is deep enough,

and the love that is great enough, and I will raise from them the best there is in human character," is almost blasphemy against civilization. It would require a greater miracle than was ever recorded to perform such a feat.

If this were true, then we should expect to find the highest and best developments of human character where poverty is greatest and deepest. This is exactly where we find the degradation and slavery of the race. According to this doctrine, Poland, southern Italy, Turkey and the peasantry of the most backward countries in Europe should be the most happy, highly developed and characterful people of the human race. Poverty is not and never was a stimulating and helpful force in character building. It is always the poor who are crushed and oppressed, ignorant and superstitious, weak and helpless. Poor races are never great, strong and characterful. The whole trend of civilization from the earliest times in every clime and country has been to get away from poverty, and every step away from poverty toward greater wealth, comfort, leisure and convenience has been and is a step toward higher civilization. To say that "character is best formed amid those surroundings where every waking hour is filled with struggle, where no flag of truce is ever sent, and only darkness stays the conflict," is a libel on every effort for human improvement.

Such an attitude accords with a recent statement by President Eliot, of Harvard, who, in addressing an audience of workingmen in Lynn, Mass., said that nobody was ever injured or hindered by working as many hours as his physical strength could endure. The history of Massachusetts and of every progressive community is a direct contradiction of this doctrine. If it were true, all the factory legislation which restricts the working hours of women and children would be a hindrance and an injury to the laboring people; but the fact is, such laws are conspicuous among all the legislative enactments of the world during the last hundred years as contributing to the character development and social uplifting of the laboring people. The fac-

tory acts and the compulsory education acts stand out conspicuously as the beneficent legislation of modern times, and they do so because they prevent all the "waking hours" from being "filled with struggle, where no flag of truce is ever sent, and only darkness stays the conflict."

This sentiment is barbarous. On this principle compulsory education should be abolished, the public schools should be closed, every factory act should be repealed, and colleges should be made into factories. There is nothing that would more completely reduce this country to the level of southern Europe than to inaugurate a policy embodying this doctrine. Nobody knows better than ex-Governor Black and President Eliot that opportunity is the greatest of all essentials to character development, and drudgery—the "filling of every waking hour with struggle"—is the most effective of all means for stultifying character and stupefying the individual.

Neither ex-Governor Black nor President Eliot would submit a child of his to the formula here prescribed for character building. Ex-Governor Black would not put his own son, nor the son of his friend, under conditions where the "smallest hut and the deepest poverty" should be his lot, in the hope of expanding his character and developing his manhood. It is a travesty on all history, societary development, cultured growth and personal capacity to ascribe Lincoln's greatness to the intensity of his poverty, the drudgery of his labor and the meagerness of his opportunities. On the contrary, Lincoln was great not because of these stultifying and deadening conditions, but in spite of them. And Lincoln was so conscious of this fact that he devoted his entire public energies to ameliorating these deadening conditions for every child born in the future. It was because he saw the paralyzing influence of poverty and slavery that he favored every scheme for liberty and opportunity for industrial, social and personal improvement.

There have been a few great men in the world's history who have fought their way to the top in spite of pov-



erty and drudgery, but none were ever put there by virtue of it. In the long run, the great leaders in human progress,—those who have, like Lincoln, risen above their poverty,—have been few indeed. The fact is, that everywhere culture, intelligence, character, freedom, ethics, and everything that goes to make for civilization and human welfare, have come into existence and increased with the increased production, diffusion and habitual consumption of wealth; and those who failed to get the wealth, who failed to have the cultivating influence of its consumption, remained the drudges and slaves of the race. In proportion as drudgery slackens, and the conditions where “every waking hour is filled with struggle” disappear, civilization advances, and as it advances higher types of character, higher standards of morals, broader altruism and juster conceptions of life develop, and become the characteristics of society; and great characters become so numerous as to be commonplace by their very multiplication.

Of course ex-Governor Black did not mean what he said. He is not an enemy of leisure, nor an advocate of drudgery for all the “waking hours” of mankind. He is an eminently progressive man. He believes in protecting the opportunities of the children for education and of their parents for social and individual advancement. He does not believe that poverty is the “elixir of life” and the stimulant to greatness. He really believes nothing of the kind and would never seriously advocate such a proposition in daily practice. In this instance he surrenders truth to word-painting. He sacrificed the philosopher and statesman for the glory of the orator, and by so doing made his words worse than worthless by loading them with fallacy that, if put in practice, would have arrested civilization, perpetuated barbarism and made a Lincoln and a Black impossible. Poverty is the mother of slavery, and whoever applauds it and sneers at wealth is ministering to barbarism, no matter how classic his utterances or fascinating his eloquence.

## MONTHLY REVIEW OF FOREIGN AFFAIRS

W. C. JAMESON REID

*The Political and Commercial Future of South Africa.*—Although opinions differ, and will continue to differ, regarding the justice of British policy as applied to South Africa during recent years, there can be no doubt in the minds of all unbiassed students of international political conditions that, speaking from a broadly common-sense view, the actual fructification of British plans for complete territorial and political dominance over South Africa is a distinct gain to the world's economic and industrial solidarity. In order to appreciate this fact thoroughly it is necessary that the question should be shorn of all considerations of sentimentality and narrowed down to one of practicality, and, in so far as collective civilization is concerned, one of utilitarian altruism. Notwithstanding feelings of soreness and bitter disappointment, which they cannot all at once forget, it is gratifying to perceive—as has been clearly brought out by the journey of Colonial Secretary Chamberlain in South Africa—that the great majority of the population of the former Boer republics is convinced that England is perfectly honest in endeavoring to do the best for the whole population of South Africa, without regard to race, and that local institutions will ultimately be moulded and worked by the people who live under them, and for their own distinctive advantage.

The work of reconstruction will be necessarily long and arduous—that is the inevitable result of war, and the serious disturbance of economic and political entity—but time will serve to show that the spread of complete British domination throughout South Africa is a condition which will not only best subserve respective Boer and British interests, but in the long run will advantage markedly the interests of collective civilization. To understand this contention properly, involves a brief discussion of the ethics of expansion.

The whole course of the world's history has been a record of expansion, the survival of the fittest, a mysterious working of a law of nature which gives the scepter of rulership to those most capable of ruling. We are told that, by taking an alien people under her wing to bring to them the fullest fruits of humanizing activity and progress, England is morally sinning. Yet consider for a moment what this "sinning" of England has done for the progress of the world and the benefit of collective civilization. Contrast the present-day condition of India, Egypt, Australia, and Africa with their former states. What are they today? Valuable acquisitions to economic and industrial civilization, hives of industry and progress which once were but hives of *laissez-faire* and retrogression, law established, government more than a mere anomaly, crime reduced, taxes lowered, railroads built, disease lessened by the application of sanitary engineering, oases where before were but deserts.

No one can find just cause for criticism in the attitude of the population of the former South African republics in sturdily battling to maintain their political entity against the assaults made upon it. Here we have to deal with sentiment alone. But this does not lessen the potency of the fact that this success of British aims and purposes is a distinct gain to the world at large. Let us see how truly this is so.

Great as may be our admiration for the Boer people, the fact cannot be denied by the most superficial investigator of international economic and political conditions that, their political and territorial entity remaining undisturbed, the former so-called Boer republics were a blighting sore on the body-politic of human progress. These are the conditions as they existed, and left to themselves it would have meant that in the pathway of civilizing endeavor in Africa would be a hostile camp constantly menacing the legitimate accomplishment of those larger results benefitting the world at large. Although the results may not be immediately patent, time will show that the merging of all interests in South Africa under firm and undisturbed British control is



advantageous. If in this England has not neglected her own interests, let us not forget the broader benefits which she has secured for all those nations to whom trade relations with South Africa and permanency of commercial and political conditions are of importance.

England's policy in South Africa has been a policy of expansion, but expansion in the broadest and fullest sense, inasmuch as while British interests have been served, those of collective civilization have not been neglected. The political and commercial merging of all interests in South Africa under distinctively British control is, therefore, not only morally defensible in the highest sense of altruism, but it is the accomplishment of a fact which must needs cause congratulation in all quarters where any distinct advance in the world's economic and industrial progress is welcomed.

There is no nation on earth which could immediately reconstruct even so simple a policy as that under which the mass of the Boer population were accustomed to live. But every true friend of these conquered republics must perforce agree that the work of regeneration could not be left in safer hands than those of England, for there is no nation on earth which has solved so many difficult problems of a similar kind, or which is better fitted, by political principles and habits, to reorganize South Africa for the equal benefit of all its inhabitants. With such guiding principles in the great task that lies before her, the whole world cannot but look forward with the most pleasant anticipations to the political and commercial future of South Africa under firmly cemented and justly administered British rule.

The most encouraging fact to those who take an interest in the future of South Africa is that this strengthening of British influence unmistakably presages permanent and lasting progress in all lines of civilizing activity in this part of the world. It will take some time for all this to eventuate, and it will also take time for the opinion of the civilized world to appreciate the beneficial results of this transition of interests in all its bearings and to pass settled judgments

upon it. It is a gigantic and perplexing problem with which those responsible for future conditions in South Africa will have to contend, for to the political difficulty are added economic questions and administrative embarrassments which call for qualities of the highest statesmanship. The reforming elements in South Africa, which have been disheartened in the past by the constant upsetting of the political fabric, will be henceforth reassured. Early signs of a practical advance may be confidently expected by this acceleration given to the task of self-regeneration which has been provided by the removal of the menace that has threatened for some time past and has been the most serious stumbling block to legitimate progress. In spite of the general dislocation of the whole economic and social system, industry is reviving in South Africa, and civil government is resuming its beneficent activity. With the energetic administration characteristic of British colonial development, and the concomitant advantages following in its train, it is not outraging the facts in the premises to predict, even at this comparatively early date, that South Africa has entered upon a regenerative era to be fruitful in valuable economic results undreamt of by the most sanguine optimist.

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*Chinese Resistance to Western Influence.*—The most recent advices which have been received from China go to show that those who expected that the recent militant campaign which the civilized powers of the world conducted against this patriarch of nations would silence forever the bugaboo of the "yellow peril," have been somewhat premature in their fancied felicity. Already disturbances similar to those which antedated and eventually culminated in the disastrous Boxer movement, are occurring with alarming frequency in various parts of China, which must needs cause grave concern for the future.

Doubtless there are many presumably well-intentioned persons in this civilized western world who would like to fertilize China with the bodies of its mandarins, in order to prepare the country for western "progress." They inveigh

against the pigtail which the Chinaman refuses to cut off, without knowing that this pigtail means to the Chinaman progress and reform; for it and the Manchu dynasty are only three hundred years old, and what are three hundred years to a nation with a history of over three thousand? The majority of writers who attempt to inform the public regarding China do not admit that the Chinese can have anything to say for themselves, and only too generally is the disposition shown, even in high and influential official circles, to condemn China offhand without the most cursory investigation, to discover whether or not she has claims entitled to consideration. The harmful feature of all this mass of false information is that it distorts popular judgment and communicates itself through all the varying strata of our civilization.

China is an agrarian country in the widest and in the narrowest sense of the word, and this is the reason why the Chinaman looks with contempt upon the merchant, just as agrarians do in other countries, who believe that commercial men have no other aim than to rob the farmer of his money. But China is also the land of learned men. Taken as a whole, officials cannot succeed without passing strict literary examinations based upon Confucian teaching, of which the religious deference shown to ancestors is the basis. It is not too much to say that the Chinese cannot well imagine their country without Confucianism. With these two cardinal points of Chinese character, interference comes on the one hand from the foreign missionary, on the other from the foreign merchant, and both are held—and, it may be said, not unjustly—responsible for the troubles which China has with foreign governments.

The alleged decay of China is not nearly so apparent as most people of the western world imagine. Although corruption may, and does to a certain extent, exist among the higher classes, this decay does not exist as far as the masses are concerned. The mass of the people are free in China, and rarely come in contact with the official world except when they pay their taxes. With regard to his fam-



ily life, his business, his pleasure, his daily wants, the Chinaman is the freest citizen of the freest country in the world. Were there half as much interference on the part of the government or the police in a Chinese city as we stand in western countries, the people would rise in open rebellion. China can and will be altered, but only by being influenced by the educational rather than the militant side of civilization. Harsh militant policies will only serve to consolidate belligerent Chauvinism in China, render warlike and hostile a people who are not such by natural temperament or training, and invite these periodical disturbances of international poise.

In our own international relations with each other we are not ready to fly at each other's throats whenever some trifling disagreement springs up in the course of peaceful intercourse. No more should we adopt in our relations with China a course of procedure which among ourselves we would unhesitatingly condemn. If anti-foreign disturbances continue from time to time in China—as doubtless they will—it is not wise to describe every petty band of disturbers as a “revolutionary party,” or to visit upon an entire nation a thousandfold punishment for the indiscretions of a few. If there are a few sickly hairs in the Chinaman's pigtail, it may benefit him to remove them; but he will hardly be grateful if, in order to do so, we pull with both hands at the whole appendage. And, furthermore, let us not forget the important fact that, whether we are willing or not, the day is not far distant when China can enforce this consideration of her interests, and will not hesitate to do so. It were well that we choose wisely and not too late.

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*The Growth of Anti-Semitism in Europe.*—A short time ago much space was given in the public prints, both in the United States and in Europe, to the serious grievances of the Jewish population in the kingdom of Rumania. The protest addressed by the government of the United States to the signatory powers who are responsible for the execu-

tion of the provisions of the treaty of Berlin secured the evasive reply that the question would be submitted to official investigation. While this might easily have been done during the months which have intervened, the reports in the daily press serve to show that, at variance with the spirit, as well as the letter of the treaty just quoted, the criminal persecution of a defenceless people is proceeding with greater vigor than ever. Doubtless the Rumanians have reckoned the cost, and are shrewd enough in their calculation to believe that no coercive intervention by all the powers is to be expected, and that isolated interference by one or two governments is not likely to be pushed beyond the point of remonstrance. The great powers in whose hands rest the just settlement of this difficulty are equally culpable. It must be apparent to even the most cursory investigator that any concerted action among them to end this deplorable state of affairs would immediately serve to remedy the evils complained of.

There can be no doubt that in eastern and central Europe the antipathy to the Jews rests not so much on religious as on social and economic grounds. The peasantry in Russia, in Poland, in Austria-Hungary, and in the Danubian states suffer keenly from the activity among them of the Jews as small traders, as drink-sellers, and, above all, as extortionate money-lenders. The misery caused by the steady progress of the Jews in country villages is the theme of many of those tales of squalid tragedy that seem to have a dreary fascination for the Slavonic mind. On the surface it might seem that the Rumanians are perfectly justified in keeping out Jews from other countries, and by crushing laws and systematic persecution to induce emigration to other countries of those already domiciled there. But if sentimental considerations alone are not sufficient to induce the powers to act, it is impossible to understand why the economic menace which they themselves are inviting does not spur them to action.

It is tolerably clear that the promptings of humanity are, or should be, powerfully reinforced by the thought that

the influx of "undesirable elements," driven out by the intolerant policy of another state, is unfair to a progressive community. Doubtless it was this last feature which appealed most strongly to Secretary Hay in the representations which he made to the signatory powers of the Berlin treaty; the wonder is that this menacing feature has not long ere this appealed to astute statesmen in Europe. Austria-Hungary has at last awakened to the economic menace which this policy of *laissez-faire* is inviting, and, now that she has addressed strong protests to Rumania against a course of legislation which has been driving a stream of destitute Jews westward into the dual monarchy, there is a probability that something more concrete than vague and unsatisfactory promises of remedial action will be taken.

If Rumania discovers by experience that the increase of her Jewish population menaces her internal economy, there is nothing to prevent her adopting stringent measures to prevent the immigration of Jews into her territory. There is nothing in this course which can rightly demand interference. But, on the other hand, they are not justified in making the position of native-born Jewish subjects so intolerable that the internal economy of other nations must be disturbed in order that Rumanian aims and purposes shall be served. With the powers obviously unwilling at the present time to give this serious problem the attention which it deserves, the only gratifying feature of the situation seems to rest in the paradoxical fact that the Rumanian government, in an indirect way, may by mere selfish motives be compelled to place a check upon anti-Semite legislation. If, as is stated, the Jewish population in south-eastern Europe are attaining a financial preponderance in excess ratio to their numerical and political importance, it is certain that the Rumanian, and, in fact, all countries where the anti-Semite movement has taken root, are not in such a prosperous financial state as to be able, with impunity, to affront a race which reckons among its members the leading financial magnates of Europe.



*Japan's Economic Advance.*—At the present time there is considerable concern felt among well-wishers of Japan over the fact that a short time ago the failure of a number of small banks in that country indicated features of financial unsoundness in her internal economy. But to any one who has closely followed the economic growth of Japan during the last decade there should be no cause for such surprise, and, doubtless, the present unsettled state of Japanese finances is not such a serious contingency that it must necessarily have an appreciable effect on the future economic growth of that country. Nevertheless, this transitory financial disturbance serves to illustrate the point which farsighted students of international conditions have sought to demonstrate from time to time, that Japan's growth has been too meteoric, and her political and economic superstructure has not been erected upon solid enough foundations, to understand the serious crises which she must expect from time to time in the natural course of national growth.

At the present time Japan's gross domestic and exterior debt does not exceed \$250,000,000, neither is she a heavily-taxed country. Notwithstanding such conditions, she has had great difficulty in recent years to make both ends meet, and the frequency with which she has applied for loans abroad is not a sign of a healthy growth. The cause of this is not difficult to find. It may provoke remonstrance from too unreasoning Japanomaniacs, but it is a fact, nevertheless, that Japan is striving to leap into the front rank of world-powers by a system of enforced and artificially inspired growth, rather than by the slow but natural one which has been necessary in the foundation of all prosperous and economically sound nations. The briefest survey of Japanese history will serve to demonstrate this fact.

In a decade Japan has leaped from old-fashioned ideas to modern ones, and has attempted without previous preparation of any kind to take an advanced position on terms of equality with older rivals. The result of all this revolu-

tion of conditions must necessarily be the constant recurrence of social disorders, and disturbance of her financial and industrial poise. The great fear is that in the eager desire of Japanese statesmen to keep their new-born kingdom on a parity with nations which are patriarchs in comparison, the temptation to leap from one extravagance to the other will be too strong to be resisted. At no time, therefore, more than at the present, does Japan need the brakes of conservatism placed upon the vehicle of growth if she wishes to take a place upon a solid footing in the international household.

## EDUCATION IN THE PHILIPPINES

THEODORE DE LAGUNA, PH. D.

In nearly every bundle of newspapers that comes from home, there is some new evidence that Americans have not entirely lost interest in the educational experiment now under way in these islands. Their information as to its actual workings appears to have been very slight. They have perforce been content with generalities, mostly optimistic, but sometimes savagely critical, or with the scrappy records of detached experiences. Kindly officers of the army have given teachers their flattering commendation, either for work performed or at least for good intentions, and high officials of the civil government have expressed their satisfaction with the progress of the movement.

Under most circumstances, it is encouraging to be well thought of, but to the disillusioned teachers of today, who know how little is being accomplished, who are aware that the whole movement has been brought near to wreck and ruin, the complacent assurances of official superiors are wonderfully exasperating. For we are making a failure of this scheme, a monstrous, mortifying failure; not immediately, perhaps, but fast becoming chronic, and requiring instant attention from those who are competent to analyze the situation.

The present situation may be understood by pointing to the widespread disgust of the Filipinos with the new education. On our arrival, a year ago, we were told that the Filipinos were eager to learn English. Upon examination, this eagerness was found to be composed, first, of a partial appreciation of the new opportunities it might afford; second, a childish curiosity. We found, moreover, widespread underestimation of the difficulty of learning our language. Parents fondly expected their little ones to be prattling in English within two or three months, or half a year at the outside. When it became clear that the learn-



ing of English is an arduous and protracted task, the less ambitious class of children fell away from the schools in multitudes. The more intelligent class of Filipinos are everywhere supporting schools of their own. The fact is that the best of the Filipinos are woefully disappointed in us. They want something more from their schools than we have been giving them, and we cannot safely continue to despise their wishes. This judgment of popular condemnation and neglect is a fearful thing; for it threatens the whole future of the educational movement. We cannot educate a people against their will, nay, without their earnest and whole-hearted cooperation, and such cooperation we certainly have not.

So in order among the several causes which have conducted to failure we may place difficulties arising from the extremely varied local conditions. Now I had not one of these difficulties to experience. When I told other teachers that in El Salvador no soldiers, whether Spanish or American, had ever been stationed; that along the whole north coast of Mindanão the people of El Salvador are celebrated for their honesty, industry, and entire peaceableness; that one fellow-teacher and myself had lived there for three months without arms and without police protection, twelve miles from the nearest detachment of American troops, without ever having to suffer the least anxiety; that our presidente had shown us the most sincere hospitality, and had done all in his power to make our work pleasant and prosperous; that native provisions were cheap and plentiful, and that American canned goods could be brought in from Cagayan, by *banca*, in a few hours; that there was no priest, native or Spanish, in the town, and none likely to appear on the scene for some time to come; when I told all this, they looked upon me as one especially favored of the gods. And yet El Salvador was by no means the ideal place for school work that they supposed, for there existed one peculiarly unfortunate local difficulty, which, indeed, was to be met with elsewhere throughout the islands, though not often to

such an extent as in this town. This was irregularity of attendance consequent upon the custom of child labor.

The town of El Salvador, with its suburbs, is said to contain from four to five thousand inhabitants. The school population cannot be less than eight hundred. The daily attendance at the two schools (for boys and girls) has suffered remarkable fluctuations, varying from nearly four hundred to scarcely forty. Most of the time it has ranged around seventy or eighty in each school. But of these not the fifth part could be said to be in regular attendance.

Other local difficulties are ruinous school-houses, insufficient and dilapidated furniture, and incompetent native assistants. In El Salvador, for example, both houses were so leaky as hardly to afford dry standing-room during a severe storm. The walls were full of holes; many of the sliding windows had fallen down, and some were entirely missing, and the flooring, especially in the boys' school, was so loose as to be a mere collection of pitfalls. Up to this time, scarcely anything has been done to remedy these matters. We found six desks capable of containing four children each. There were also a few long benches without backs. Most of the boys were seated on the floor. The village has had no funds with which to provide desks for all the children.

But these details are commonplace. The incompetence of the native teacher is a weightier circumstance. I speak of this as a local difficulty, although it is widespread; for in the larger and richer towns, and in certain of the more fortunate provinces, it is not felt. Moreover, in districts near to such educational centers as Manila and Cebu it is not so hard to find fairly competent Filipino teachers, but in other districts, poor, sparsely settled and remote, the case is critical. Hardly a town on this coast can pay its teachers more than ten pesos a month, and some men are receiving as little as six pesos. Natives possessed of even a good primary education are few, and these few can gain a much better livelihood either in business or in the civil employ. Thus it happens that nearly every one of our

*maestros* is a densely ignorant man, even in certain towns where educated gentlemen are comparatively numerous.

After these local difficulties we may place those arising from defective administration. For the administration of the school department has been quite as imperfect as might have been expected in so huge and novel an undertaking in a part of the world where mail and freight are so uncertain. In so far as concerns the immediate detriment of the school system, the defects of administration have showed themselves in poor supervision and in the tardiness and inadequacy of supplies. The supervision is now becoming better, as the raw deputy superintendents are learning their business; and through these men we may now expect more regular installments of supplies; and through them, too, the division superintendents may hope to exert some influence upon the work. But it will hardly be believed how bad conditions have been during the past year. Will it be believed, for example, that whereas the teachers had been sent to their stations in September, the first shipment of supplies for this district was received on Thanksgiving day? During the interim, some of us had the use of a few books and charts that certain soldiers, detailed as teachers, had formerly used; while others of us had not a book nor a slate, not a pencil, pen, blackboard, piece of chalk, bottle of ink, nor scrap of paper. It will be more easily believed, perhaps, that the supplies finally received were about one-half of what had been ordered, and that a great part of them consisted of histories, geographies and arithmetics two or three years in advance of all but a few of our pupils.

"The real sinner must have been the teacher himself," every candid reader will say. And this is partly true; so far true that the failure of the past year's efforts must be largely ascribed to the character of the teachers and the nature of their preparation for the work.

Of direct preparation for such work as this they of course had none. A month before receiving their appointment, they had never dreamed of teaching in these islands.



This was to be expected. Beyond a few teachers from Indian or Hawaiian schools, men trained to the work were not to be procured. Of course, among them all, a great many types were represented, but a very common type was this: A college graduate, either fresh from his *alma mater* or with a year or two of high school teaching behind him, willing to work, if he only knew how, but with no peculiar enthusiasm for this particular enterprise. While the college man is supremely adaptable, still the adaptation takes time; and if at the same time he must be learning the veriest elements of his profession, at least his first year's work is likely to be of exceedingly small account.

The teachers were a regiment of carpet-baggers, come to exploit the country in their small way, and then, after a few years, would sail happily home without a regret to spare. Had everything gone smoothly with the work here, the carpet-baggers' interests might have been sufficient to keep them at their task; but with the first breath of failure, it would be hard to find any class of men more liable to hopeless discouragement. Then, indeed, it became a mere question of living out one's time somehow and getting home again.

Few of the teachers had any considerable knowledge of Spanish; scarcely any could speak it grammatically and fluently. This was a serious handicap, not so much in the class-room as out of it. For though in these islands only a small percentage of the inhabitants can speak Spanish, it is none the less the established idiom of culture. Every gentleman speaks it, almost without exception. Thus it happens that the American teacher in his ignorance of Spanish, and still more in his picturesque attempts to express himself in broken, ungrammatical phrases, puts himself upon the level of the boor and unavoidably exposes himself to contempt. This contempt he may overcome, but there remains a formidable obstacle to his asserting himself as a force in the community, and his acquiring the respect of the leading citizens and their sympathy and support in his work.

Another factor, which must be seriously taken into account in estimating the causes of failure, is the spiritual stagnation consequent upon being placed utterly alone amid a strange people, and being able neither to understand nor speak their language. I am not denying that there are Filipinos who are gentlemen in every sense of the term, men well born and well bred. But it is precisely in the smaller towns, where only one American teacher can be sent, that such men are not likely to be found. There you will meet with an ignorant, sordid peasantry, with whom an educated man, whether American or Filipino, cannot intimately associate. Words fail me to describe the bewildering horror of the situation, the steadily increasing agony of it. At the worst, this sort of thing means insanity; at the best, it means a listlessness, a semi-torpor, that is the grave of all enthusiasm for teaching or anything else.

Still another factor contributing to failure has been a lack of proper sympathy between the teachers and their employers. How much damage this condition has caused can hardly be overestimated. It therefore becomes essential to our purpose to examine the origins of the unhappy circumstance. What I am about to relate will not, I trust, be considered the needless rehearsing of old grievances. There are a few facts in the matter which must be known that the whole situation may be understood.

The largest shipload of teachers, brought over on the *Thomas* in July and August, 1901, arrived in Manila on the twenty-third of the latter month. They found accommodations prepared for them on the grounds where an exposition had been held. There were several reasons for keeping the teachers together. It was feared that five hundred newcomers would find hotel rates exorbitantly high, and it might be more pleasant for them to keep in touch with one another as long as possible. With this arrangement it would be easier for the heads of the departments to publish the necessary orders and instructions.

Of the old exposition buildings only one was habitable. This was given up to offices and to the unmarried women

of the expedition. Bachelors and married people were stationed in certain barracks which stood upon the exposition grounds. These barracks were huge structures of bamboo and *nipa* (the palm that is used for thatching), built in a single story and close to the ground. It was towards the end of the rainy season, and beneath the barracks was a swamp. Mosquitoes were numberless. It was an unhealthy location.

Board was furnished by a Chinese restaurant keeper, who did not understand catering to Americans. Many of the teachers became sick. They were assured by a departmental physician that the food and quarters were in no wise responsible for their condition. Not believing this statement, they sought elsewhere for better food and lodging.

Meanwhile all were anxiously awaiting the announcement of their assignment to their stations. In this there was little chance for competition, simply because nobody in Manila could be found to know anything about the provinces. The first week in the hideous metropolis had satisfied most of the teachers that they did not wish to remain there; and beyond Manila all was blank. The principal source of anxiety then lay in the desire of the many little groups of friends to be assigned to the same town or district, or at least not to be widely separated. Great numbers of petitions found their way to the general superintendent from friends anxious to be stationed together; and he publicly promised that so far as possible all such petitions, as well as requests to be assigned to a particular locality, would be taken into careful account.

When the list of assignments was published, it appeared as if the wishes of the teachers had been considered only for the purpose of expressly defeating them. How this happened was long a mystery. Many of the teachers were ready to charge it to the malicious intent of the general superintendent, who hoped—it was said—by separating friends, to keep them from having a good time together, and thus confine their attention to their work. But



in truth, as it now appears, Mr. Atkinson was guilty of no such infatuated cruelty. On the contrary, it was his conscientious patience in weighing the necessities of each case that so retarded the work of distributing the teachers, that after having in several days covered only a small fraction of the whole number, he was forced to resign the work to a sub-committee of several of the division superintendents; and it was due to the haste, negligence or incompetence of this committee—who even confused and brought to naught much of the work that had already been done—that the final result was such as it was. And Mr. Atkinson then obstinately refused to permit any transfers or exchange between the divisions—an attitude which made him in effect a personal adversary of great numbers of his teachers,—a man to be feared and if possible outwitted.

One other circumstance has been particularly active in causing discontent—tardiness in the receipt of salaries. On or about the last day of each month the disbursing officer sends out receipts which are to be signed by the teachers and returned to him. Payment is then made by check or money-order. But this is a process not of days alone, but of weeks and months. At the present time (August fourteenth), not one of the teachers in this part of the country has yet received his May salary, and at least one has not yet been paid for April. This state of affairs is only a little worse than usual. Moreover, this does not mean a vexatious delay merely; it means an actual loss of hard money. For the teachers are paid in the local currency, which has been steadily depreciating in value; and they are paid, of course, at the rate which prevailed on the last day of the month in which the salary was earned. In April, May and June, the rate was 2.27; today it is 2.35. When one of the men here receives his pay for those months it will be worth, not three hundred dollars, but ten dollars less. For the first three months of the year he suffered a loss of over twenty-two dollars, when the rate changed from 2.10 to 2.27. Thus by the tardiness of payment, teachers in the more distant provinces have been defrauded each

month from three to seven and one-half per cent. of their earnings. This is the more exasperating because the delay is absolutely unnecessary. Under the circumstances, the mode of payment must be set down as a piece of sheer idiocy, and that no more expeditious mode has been instituted must be ascribed to an utter indifference to the interests of the teachers on the part of their employers. The realization of this fact has done its share of harm.

We have remarked at length some of the difficulties which have brought about the failure of the educational movement. But the truth is that the present scheme of education must have been doomed to extensive failure under the most favorable conditions, with the best of executive direction, and with the healthiest enthusiasm in the teaching force.

The scheme is to teach the Filipinos something for which they feel no immediate need, and in which they take no direct interest, namely, the English language. Other subjects have a place in the program, but the English language is practically the sole subject of instruction.

Why, then, do not the children learn it? Some do learn it; namely, the few that have a daily opportunity of using what they learn. In a few cities, where there are hosts of Americans, soldiers and citizens, English is a living tongue; but for the great multitude of Filipinos it is practically a dead language.

Why should a Filipino care to learn English? Not many reasons are conceivable. In a few cities it might help many a boy to get employment, and in these cities English can be successfully taught. Elsewhere it is important only for the governing class, affecting, as it does, their commercial and political interests.

But for the Filipino peasantry there is no motive for learning English, and accordingly they will not and cannot learn it. A new language can only come to them with a new life; schooling cannot give it to them. Americans commonly suppose that these dialects are very simple affairs, consisting at most of a few hundred words, and with no

very elaborate grammatical structure. This is far from being true. To speak of the Vis-ayan language, to which I have given some study, the richness of its vocabulary has been an ever recurrent occasion of wonder to me, and the beauty and consistency of its grammatical structure are obvious enough to charm even a very imperfectly trained philologist. The vocabulary, in any one locality, contains about ten thousand words; and let it be remembered that in this number is included not one scientific term and not one term that denotes anything that is new to the civilization of the last few hundred years. In a Vis-ayan village, English has no chance in competition with Vis-ayan. If every man in El Salvador knew all the English that he is capable of understanding, he would never use one word of it save for display, for his native dialect serves his daily needs vastly better.

It is easy to reckon the advantages that would redound to the Filipino people if they had a common tongue. It would do everything to unite them commercially and politically. It would make them a nation. And if the common tongue were English, there would be open to them all the opportunities of Anglo-Saxon civilization. But this is but to say that the new speech would satisfy needs that the Filipinos of today do not feel. Had they been less clannish in the past, had inter-island communication been more extensive, they would today have a common tongue. As the need of such a tongue becomes felt, it will come into being. If English becomes the language of culture in these islands, its use will spread as civilization widens. But you cannot make a people a present of a new language.

It is no part of our present purpose to devise an educational program that should reform the evils which have been pointed out. That is a task the performance of which would require at least a separate essay. Some few conclusions, however, are obviously to be drawn from what has already been said.

The greater number of American teachers now in the islands should be sent home where they belong. Primary



instruction should be entrusted to well-paid native teachers, and should almost invariably be given in the local dialect. Grammar schools should be established in the larger towns; and since those who will attend these schools can learn English to advantage, part of the teaching force should be American. The high schools and normal schools, which are now being opened in the several divisions, may be counted upon to serve a far more useful purpose than the elementary schools, as at present constituted, can ever serve. Municipal schools should be supported in great part by insular, or at least provincial, funds. Suitable school houses should be built and furnished. Suitable textbooks for reading, writing, arithmetic and geography should be prepared in the native dialects for use in the primary schools. And wherever there has been established a municipal government, primary education should be made compulsory.

So much for immediate measures of reform. What our ultimate endeavor in behalf of this people shall be, what concrete ideal shall be our guide in shaping the course of study and fixing the methods of instruction, is a larger problem and demands a more extended consideration.

## OUR ARID ELDORADO

AUGUSTUS JACOBSON

There are nearly six millions of farms in the United States averaging 146 acres each, the total acreage according to the recent census being 841,201,546.

For every five acres now in use there is an additional acre of arid land which cannot be used until it shall be made available by irrigation. When irrigation shall make this additional acre available it will be more valuable than the five acres now in use, because crops upon irrigated lands are almost absolutely certain. The lands awaiting irrigation will easily sustain a number of inhabitants greater than the present population of the whole country. These lands have in them untold prospective wealth. The soil is full of rich qualities; the sun shines every day and all that is needed to make good crops is water. The water is at hand, too, but it is now running to waste, doing nobody any good. The engineers are ready to save it and let it in upon the land whenever and wherever needed. There will be applicants for every available acre of this land as soon as it can be irrigated. There will probably be a hundred times as many applicants as can be accommodated. Experience in Utah, in California, in Egypt and in many other countries shows that a farm of ten acres of irrigated land whereof every inch produces year after year without failure is better than ten times as much land subject to drought and flood.

In an article in the *North American Review* of September, 1902, Professor E. W. Hilgard, of the University of California, shows that the arid lands are rich in all the elements that require replacement when drawn upon by crops: potash, phosphoric acid, nitrogen and lime. The arid lands are rich in these elements, beyond any and all other agricultural lands in the United States. Prof. Hilgard says:

"The need of fertilization with potash is under ordinary cropping

almost indefinitely postponed. . . . On the average the lime percentage of the arid soils of the United States exceeds that of the lands of the humid region (where not specially supplied by underlying limestone formation) from twelve fold to fourteen fold. . . . Nitrates . . . accumulate in the soils of the arid regions so as sometimes to form over forty per cent. of the soluble salts in the soil and as much as 1200 pounds per acre. . . . Humus, the repository of the nitrogen supply of soils, is usually present only in small amounts in arid soils, but is on the average three times as rich in nitrogen as that existing in humid soils. . . . These lands offer unusual and lasting productiveness to the farmer. . . . Instead of two or three feet, from three to five times that amount of soil mass is ready to be drawn upon by plants, so that the purchaser of a given surface area of land really obtains, in the arid region, several times as much productive land as he would have received in the humid. . . . All this explains rationally the high production of irrigated land in the arid region and the fact that a much smaller unit of land-holding can and does prevail there, the land thus supporting a much denser population."

England is now spending hundreds of millions of dollars in Egypt to save the water of the Nile in order to bring under cultivation an additional million acres of Egyptian desert. It is a wise expenditure. But the utmost that can be accomplished in Egypt is the redemption of a mere strip, a mere garden patch, in comparison with the tremendous area that is waiting for our engineers. We, too, must begin to save the water, and the need of these lands is so great that we must lose no time in beginning.

These lands have now no value, but they belong to all the people of the union. The lands will not be worth anything until money shall be spent upon them. That money will be spent; it will be money belonging to the people of the whole country, and care should be taken that all the people of the United States shall permanently get the benefit both of the original ownership of the lands and of the money spent upon them.

The ordinary government price of land will not be sufficient to reimburse the government for the money expended. Anything above the ordinary government price would cut out multitudes of farmers from being purchasers and cutting out poor farmers would let in speculators.



These lands should not be sold. If held permanently for the benefit of all, they can be made to confer lasting benefits upon millions of people for all time to come. Like the Chicago school lands, they should be kept to produce revenue forever for school purposes. To begin with they should be subdivided into tracts of ten acres each, and the revenue arising from their use should be sacredly appropriated to educate the children of the nation in order to help equalize the opportunities in life for the young. These lands will be the garden spot of the country; there will be villages, towns and cities upon them, and the revenue arising from them administered in the manner indicated will speedily run up into hundreds and thousands of millions of dollars every year. These lands were once called the "Great American Desert." Fifty years ago nobody believed that they would ever be of any use. They are a treasure-trove. Treasure-trove used to belong to the crown. Here the people are the crown and all the people should forever have the benefit of this treasure-trove.

The city of Chicago owns property in Chicago on the school section. The ground rent goes into the public treasury for school purposes. From the annual report of the board of education for the year ending June 30th, 1902, the board accounts for \$514,097.40 received during the year for ground rents. The new building of the *Chicago Tribune*, one of the handsomest in the city, is on school property. The First National Bank is now erecting a structure on school property that is to cost three millions of dollars. The end, aim and object of the bank people is to make the building the finest structure for banking purposes in the United States.

Will it further the public welfare to use the proceeds of these lands for education? We are an industrial nation transferring raw material into finished products. The finer the finished products the better. But the most valuable raw material we have is our human raw material, and that, in great measure, we neglect. We do very little to finish it, and yet there is no raw material the finishing whereof would result in greater profit to all of us.

In the manual training schools and in our technical schools this generation has invented methods of training wherein all human faculties find means of development. Raising the intelligence and skill of the people creates new wants and develops new employments.

Booker T. Washington is an educator. But he is not only an educator, he is also a market developer. Every negro who goes through the course at Tuskegee multiplies indefinitely his earning and spending capacity. Negro or white, the man who has come to the point where he must have a tooth brush and a napkin has started on a career of consumption without limit. Men of that sort furnish new markets and these are our most "valuable markets of the world." It requires neither army nor navy to open them or to keep them open. No ships are needed to get to them.

As we know by experience, the most expensive way of settling things is to settle them by means of lawlessness and soldiers. It is much cheaper to train good citizens than it is to shoot bad ones. Ignorance and inefficiency are bad economy. Every one should be encouraged at public expense to take all the training and knowledge he can carry away. The poorer the man the less likely is he to provide this for himself, therefore the easier it should be made for him to educate his children up to the highest limit of their capacity. Even so slight a step in this direction as free text books is a help. Free text books are furnished in Massachusetts and school attendance has increased by reason of it. Wherever free books have been tried support of them is almost unanimous. We can trace the state of our forefathers back to a condition differing not very much from that of the blanket Indian of the present day, and the same means which have brought us out of that condition to our present state—diversified industries and the school-master—will enable us to lift ourselves up still higher. The ideal condition of things would be a state of society wherein the faculties of every individual should be trained to the utmost so as to enable him or her with the greatest possible ease and to the greatest possible

advantage to pursue his or her own happiness. Individual happiness and public welfare should coincide. Our institutions are in no danger from college-bred men; they are in no danger from graduates of high schools, but they are always in danger from ignorant people. By a more thorough education we can "out of the nettle danger, pluck the flower safety."

Some timid soul will, of course, fear that to help boys and girls to obtain a good, thorough education will make paupers of them. Of money spent by government for education John Stuart Mill says: "Help in this form has the opposite tendency to that which in so many other cases makes it objectionable; it is help toward doing without help."

College property is exempt from taxation and every man in a state where a college is situated, no matter how poor he may be, nor how small may be his contribution, helps to the extent of that contribution to educate the college-bred man. We have long since begun to educate everybody at the expense of everybody. There is not a college-bred man in the United States who does not owe his education largely to the endowments of his college. In other words, he is to that extent a charity scholar. And the better and the larger his college the greater is the element of charity in his education. President Nicholas Murray Butler, of Columbia University, says that it costs two and a half times as much to educate a boy as can be charged for his tuition, and that the more successful a college is, necessarily, the poorer it becomes, and to go on it must rely upon additional endowments.

The cadet at West Point is paid from the day he enters the academy \$500 a year and one ration a day. It is the same with the cadets of the Naval Academy at Annapolis.

Are the college men suffering from the charity element in their education? Did the charity element hurt Emerson, Longfellow and James Russell Lowell? Are the graduates of West Point and Annapolis suffering from it? Did it hurt Grant, Robert E. Lee, Sherman, Sheridan,



Thomas, McPherson and Stonewall Jackson? Did it hurt Farragut and Sampson? President Eliot, of Harvard University, says: "A poor boy in the United States should have as good a chance as the child of a rich man to obtain the best training which his character and powers fit him to receive."

The average child in the United States now gets about four years of schooling. The arid lands can be made to furnish the means to give to every boy and girl in the United States all the education he or she can take. Nobody will be wronged by doing this; on the contrary, everybody will be righted. There are no vested interests in this matter except the interests of all the people of the United States, and these lands should forever remain the property of all the people.

## EDITORIAL CRUCIBLE

THE ANTI-TRUST measures that have passed, and those now under consideration by congress, may well be called legislation for "the restraint of industry and the corruption of politics."

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A BILL has been introduced into congress to double the president's salary because of the increased cost of living through the rise of prices. This is a very definite recognition of the doctrine that the cost of living governs wages. But really, if the president should have his salary doubled for this reason, why should not congressmen, senators and all government officials have theirs doubled also? And why should there be any objection to workingmen having an increase of at least 25 or 50 per cent.?

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SENATOR PLATT, of Connecticut, who is a member of the senate judiciary committee, is of the opinion that the amendment to the Littlefield anti-trust bill, as reported to the senate by that committee, is unconstitutional. It will be remembered that the majority of the committee which reported this bill was made up by Senators Hoar of Massachusetts, McComas of Maryland, and Nelson of Minnesota, voting with the democrats. When a man like George F. Hoar joins the populists, it should at least be to serve some principle of economic or political freedom; but to do so in support of an irrational, indefensible, unconstitutional fantasy suggests that even good men may outlive their usefulness.

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THE THREAT to convene the senate in extra session if it did not pass the anti-trust bill, and again if it does not confirm the Panama canal treaty and the Cuban reciprocity treaty, has all the objectionable elements of dictation. There may be rare cases when such extraordinary use of executive power is excusable, but none of these measures

are of that character. Two of them, the anti-trust bill and the Cuban reciprocity treaty, are positively bad and ought to be defeated. Courage is an excellent quality, but coercion is objectionable even when used in a good cause, and intolerable when used in a bad one. And it is always dangerous to free government.

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THE EFFORT of the press to make out that Mr. John D. Rockefeller sent a telegram to United States senators asking them to oppose the anti-trust bill is one of the scandalous methods of distorting public opinion. It is as vile as was the invention of the famous Morey letter. Of course Mr. Rockefeller sent no such telegram, and those who sent out the statement knew that he did not. It was thought that in the present state of the public mind such a sensational item would help to rush the anti-trust bill through congress.

Such a means of using public prejudice to promote legislation is equalled only by the use of public funds to circulate campaign literature. If such methods of political propaganda are justified, then Tammany is an eminently respectable organization, and Quay and Platt are high-class statesmen.

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IN "PLAYING THE HOG" in the Venezuela matter, Germany has rendered a service to mankind. Rather than continue a blockade of Venezuelan ports by a concert of Europe, England and Italy consented to the arrogant demand of Germany for \$340,000 spot cash, while they each received only \$5,500. These items are of no material account to any of the countries, but they have served to convince England and other countries that Germany cannot be trusted to play fairly. It is probably safe to say that an alliance will not again be made with Germany for any such purpose within the lives of the present rulers of these countries. Should Germany come to South America again with her blustering swagger, she will have to encounter the Monroe doctrine



single-handed, and this even the "war lord" of Europe would hesitate to do.

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IF IT IS THE purpose of President Roosevelt to make his administration notorious for coercion of congress and restraint of industry, he is in a fair way to succeed. Nothing has occurred in the legislative history of this country which tended so directly to promote dictation in the white house and corruption in politics as the anti-trust measures now being forced through congress.

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IN HIS ADDRESS before the coal strike commission, President Baer proposes a plan for adjusting the grievances of the striking miners by providing that the rate of wages now paid shall be made the minimum basis for the next three years, and that from November 1st, 1902, to April 1st, 1903, all employees other than contract miners shall have an increase of five per cent., and from April 1st, 1903, wages shall be advanced one per cent. for each rise in the price at tide water of five cents per ton above \$4.50. In other words, that for the next three years the wages of miners shall never be less than at present, and shall go up one per cent. with every rise of five cents in the price of coal.

Of course the operators can afford this, or Mr. Baer would not propose it. They could have afforded it just as well before the strike was inaugurated as they can now, or as they can during the next three years. If at the outset Mr. Baer had met the representatives of the miners and made this proposition, it is more than probable that no strike would have occurred. Mr. Baer's proposition is conclusive testimony that he and those he represented are responsible for the strike.

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THE BILL creating the department of commerce and labor gives to the president absolute power to ransack the private affairs of any corporation he may name, and make such public use of the facts as suits his purpose. Such power to single out any corporation for punishment or sacrifice

was never before vested in the hands of any official. It would have been bad enough to subject all corporations to a general law of publicity and prosecution, but to vest in the president the sole power to select the victim and apply the penalty is creating a degree of Caesarism that was never before dreamed of in this republic. Such despotic power will lead to the coercion of corporations for political purposes by the party in power, and this in turn will lead to the expenditure of corruption money by corporations to control the nominations and policy of administrations. If corporations are not permitted to pursue their business openly and honestly, they will accomplish it by paying the necessary toll, and bribery will become simply protection money for the right to do business.

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NOTHING HAS so clearly shown the value to civilization of the Monroe doctrine as the European alliance against Venezuela. The spirit of the allies, and particularly that of Germany, makes it manifest that but for the forbidding voice of the Monroe doctrine they would have made conquest of Venezuela. Inroad having once been made by European monarchies into South American territory, any pretext for a quarrel would have sufficed to convert any South American country into a European colony. Such a policy, if permitted, would bring monarchical institutions to the very door of the republic, which would be an ever-present menace to the peace of this hemisphere and the safety of democratic institutions.

Besides saving the integrity of Venezuela, the dignified but fearless assertion of the Monroe doctrine has done much to secure the future harmony of this hemisphere. And, while preserving South America from the ravages of monarchical conquest, it insures the opportunity for the normal development of free representative government.

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IF THE BILL reported by the senate judiciary committee becomes law, no corporation will be permitted to acquire "property at a value based on earning capacity and

good-will, when such valuation is in excess of the cost of duplicating such property." This means that no business man will be permitted to sell the good-will of his business, which perhaps is worth more, has a greater earning capacity, and has cost more than the entire property of the concern. By this bill the good-will of a business, the result usually of a lifetime of industry, is legislated out of existence. The good-will of the Carnegie concern was probably worth more than the plant, but if this bill had been a law Mr. Carnegie could have been sent to jail for selling it to the "steel trust."

This bill would make it practically impossible to form any new corporation out of existing ones, for no successful business man will sell his business for what would barely duplicate his property. This is distinctly a bill in restraint of business, and is a discredit to any committee, legislature or administration that would give it sanction.

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BY THE CREATION of the department of commerce, the department of labor will become one of its subordinate functions. This means practically the death of the labor department. Under Mr. Carroll D. Wright, who has been commissioner since its organization, this department has become the most efficient of its kind in the world. It has been conducted in a truly scientific spirit. It has been entirely free from the influence of boss politics and true to the work of economic investigation. When it becomes a submerged element in the new trust-killing department, its useful functions, which have given it a world-wide reputation, may be expected to disappear.

The same process of emasculation has already been performed by Governor Odell upon the labor departments of the government in New York state. The boards of factory inspectors and of arbitration have been merged into the bureau of statistics of labor, with the result that both the board of factory inspection and of arbitration have lost all vitality, and the bureau of statistics of labor has be-



come a perfunctory department, serving chiefly as a means of furnishing places for political appointments.

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IN THE *American Federationist* for February, Hon. Clarence S. Darrow, counsel for the miners' union before the anthracite strike commission, writes on "Should Trade Unions Be Incorporated?" Mr. Darrow points out many reasons why labor unions should not be incorporated, chief among which is that large corporations employ high-priced and experienced lawyers by the year, who would make it their business to get the unions into court on some pretext, solely for the purpose of harrassing them. If they could not get damages for breach of contract they would use up the unions' resources in litigation over trumped-up charges. He concludes: "This new demand for the incorporation of labor unions is not only unjust and unreasonable, but it is impudent and insulting to the last degree."

There is doubtless some truth in what Mr. Darrow says, but the fact remains that if trade unions are to have the full benefit of recognition to make agreements they must assume the responsibility for living up to contracts. They have not yet done so. Unless unions stand more thoroughly against the breaking of contracts they may expect that the demand will be made for incorporation, and it is neither "impudent" nor "insulting," but quite reasonable, that such demands should be made by those with whom contracts are to be made and against whom contracts are broken.

## QUESTION BOX

### Basis of Tariff Rates

Editor GUNTON'S MAGAZINE,

Dear Sir:—I have understood you to say in your discussion of the tariff question that the tariff rate should be determined by the difference in the labor cost of production here and abroad. Now, if I am not mistaken, it is also contended by you that the prices of all products are determined by the cost of production of the dearest, or no-profit, group of producers in each line of industry; in other words, that the price is determined entirely by cost, and that cost is purely a matter of labor or service in some form. If this is true, would it not be a logical conclusion that the price of commodities as sold in the open market represents the labor cost of their production, and hence the difference in the market price of the commodities here and abroad would be, in reality, the difference in the labor costs? If so, the price difference of the products would be the basis for fixing the tariff rates. Will you kindly state if this is the correct interpretation of your position on this matter?

G. M. L.

Yes, that states the case very clearly. There is a disposition among those who really want free trade to put the case just the reverse. They are forced to admit that the difference in labor costs should be covered by protection. Even ultra free-traders will hardly dispute that. But they proceed to quote the costs of production of the most perfectly equipped concerns in this country against the poorest abroad, which of course fixes the foreign prices, at least in their own home market. For instance, in the case of iron, the cost of production of the Carnegie concern is cited, and of course there is very little margin; indeed, on some things the Carnegie cost of production may even be less than the best abroad, to say nothing of the worst; but it would be utterly fallacious to take this as the basis, because that would deprive all the concerns in this country of protection whose cost of production was greater than

the Carnegie, and hence their profit correspondingly smaller.

In other words, that would be giving protection to nobody but Carnegie, whose cost of production does not determine the price in this country. The very fact that the price of iron and steel products in the open market here is determined by the cost of the Carnegie competitors, which is much greater, makes the large Carnegie profits possible. If the Carnegie cost of production determined the price, there would be no profits for Carnegie.

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### The Duty on Anthracite

Editor GUNTON'S MAGAZINE,

Dear Sir:—I note what you say on page 413 of your November issue concerning the duty on anthracite coal, and your conclusion that "the hubbub about the oppression of the public to benefit the mine-owners by the tariff on coal is so much empty noise." Very likely that is true, and that the duty on anthracite, except in peculiar contingencies, has no effect on American coal prices. As an aside, it is however, a fair supposition that the duty was imposed because those who imposed it thought it would have some effect upon something. They surely did not frame the provision as they did without some reason. But I would like to ask you if you do not think that the moralities of legislation call for frank and fair and truthful laws, even if the laws chance to be comparatively unimportant. Grant, as I do, that ordinarily at least the duty on anthracite is of no practical effect. Is it not an offence against honesty to enact in one clause that there shall be no duty on anthracite, and to enact in another and controlling clause that there shall be? It strikes me that whether the American people do or do not pay 67 cents more a ton for their coal is a trivial matter by the side of the question whether our law making is real or is a sham. We can well afford to pay twice that if the sum is essential to the welfare of the producer. But can we afford, from either the ethical or the economic point of view, to put lies into our statute books?

New Bedford, Mass.

W. L. S.

Our correspondent's point is well taken. The protective policy should be frankly applied and boldly and open-



ly defended. If there is any social or economic need of a duty on coal it should be frankly stated and the duty openly levied. Sneak protection, besides being dishonorable, has the further disadvantage of leading to dishonesty in public affairs. The recent debate in the senate between Senator Vest and Senator Aldrich on this matter revealed the tricky, if not dishonest, method of dealing with this subject. Each played to throw the responsibility on the party of the other. In the broader sense of protection for the development of domestic industry, there is no real justification for a duty on any kind of coal. The digging of coal is one of the degrading industries, and has led to the importation of the lowest type of cheap labor from foreign countries. It is not an industry the development of which improves the social character and civilization of the community; its only merit is that it furnishes fuel. But if that could be furnished as cheaply by any other country we might better buy our coal than dig it. Of course it is true that those who surreptitiously got the protection on anthracite coal containing less than 92 per cent. specific carbon thought they had an interest in it. It was put on for no other purpose. While it is entirely true that the hubbub created by the free trade press about the oppression of the public by the tariff on coal is chiefly political talk, taken seriously, of course, by those not sufficiently informed to understand the subject, the manner of treating the subject is as unethical as it is uneconomic, and is discreditable to the advocates of an economic national doctrine.

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### Local or Federal Authority

Editor GUNTON'S MAGAZINE,

Dear Sir:—Would you kindly state which side of the following question you consider the stronger, and suggest the argument to be used in approving it? "*Resolved*, That whenever in the event of domestic violence lives and property are not adequately protected it is for the public good that the president should have the power to afford protection without the application of a state for federal aid."

Parkville, Mo.

C. F.

A very delicate question is involved in the resolution you present. At first sight it seems as if the president ought to have the power to afford protection to lives and property in any part of the United States, but the other side of that is, that the president might use such power injudiciously, and for other than purely protection of property reasons. Moreover, it is contrary to all the principles of self-government. The theory of self-government everywhere is that the smallest body, from the individual up, should protect itself so far as is compatible with orderly society. The individual, for instance, does not call in the police until his own efforts seem inadequate—his own efforts, of course, being limited to reasonable remonstrance. When physical effort is required, dignity and good order demand that he call in the police of the city, which is the smallest societary group with order-preserving functions. If the disorder seems too great for the smallest group to cope with and protect individuals and property, then the larger body, the state, is called upon, and then, of course, if that proves inadequate, the United States.

Besides being the natural way of calling in the greater authority, it is the only one consistent with the maximum freedom of the individual and the local groups,—cities and states. It is upon the same principle that jurisprudence is conducted; the local magistrate can decide certain kinds of civil and criminal cases, but if either party is dissatisfied he can appeal to the next higher group, and the next, and the next, until the supreme court of the United States can be called upon to pass upon the merits of the case. Clearly that is as it ought to be. It may occur sometimes that the local authority will fail to call in the federal aid early enough;—that is to say, for political reasons even they may not act with sufficient promptness; but there is far more danger in transferring such authority to the president independent of the local authority.

If we encouraged the concentration of power in federal authority every time the local authority seemed, for whatever reasons, inadequate, we should soon lose the first

elements of home rule, which is the foundation of free government. It must be admitted that the people of a city or state are better equipped for deciding when "lives and property are not adequately protected" than any power further removed. There will be some shortcomings in any event, but the power of protection is most securely in the hands of the people when it is in the hands of the local authority. The negative is therefore the correct side of the proposition presented.

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### Election of United States Senators

Editor GUNTON'S MAGAZINE,

Dear Sir:—Would you please give me a little information in regard to the present method of electing our national senators, and why they should not be elected by the popular vote?

Fall River, Mass.

A. D. H.

The present method of electing United States senators is by joint session of both branches of the state legislature. The reason for adopting this method was to give the states individual and equal representation in the senate. The constructors of our national government were anxious that the government should be thoroughly representative, so they devised three modes of expressing public opinion. The president represents public opinion as expressed by the majority of voters by states. The whole people of the state vote directly for president, expressed through the electoral college. The house of representatives represents public opinion as expressed by the majority of election districts. The third way of representing public opinion is to have the senate composed of representatives of the states, as such, with no relation to population whatever, and to secure this it is provided that the senator shall not be elected directly by the voters in the state at large, or in districts, but indirectly by a joint session of the two branches of the legislature.

Thus there are three modes of reaching the public expression of political opinion in the national government.



The boss system, with its corrupt manipulation of primaries and conventions, has done much to reflect upon the present method of electing United States senators, but whether election by popular vote would be better under present conditions is doubtful. The corrupt manipulation of legislatures which elect United States senators proceeds directly from the boss system. New York state is now going through the farce of electing a United States senator. Thomas C. Platt, who has just been elected, would have had absolutely no chance whatever of being United States senator if it depended upon a popular vote. It is doubtful if he could be elected a member of the assembly, but, by the distribution of rewards and punishments, through the power of patronage and large election funds exacted from corporations, he can improperly control the legislature. Hence, he will get an almost unanimous vote, although he is very unpopular in the state and is one of the most despised men in public life. Election by popular vote would encounter this same difficulty, because the nomination of the candidate has to go through the process of the primary and nominating convention, and it is there that Thomas C. Platt and his like throughout the country do their nefarious work. There is little hope of improving our representative system in any way until we first improve the methods of conducting the primaries by surrounding them with the same protection that is now afforded to voters on election day. The direct nomination of candidates for office at the primaries, with secret voting and official ballot, is the first step towards improving our election machinery in any department. This is needed as much for the purpose of electing aldermen, mayors, assemblymen, state senators and congressmen as it is for electing United States senators.

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### The Variation in Money Supply

Editor GUNTON'S MAGAZINE,

Dear Sir:—There are a good many things in finances that I do not understand. One of them is why at certain times money seems to be very scarce and at other times

plentiful when, so far as I know, there is the same amount of money per capita in each instance. We are told out West that the reason money is so close now is because so large an amount has been invested in real estate. I cannot understand why that would make any difference if that money has been sent from one section of the country into another for the purpose of buying real estate. Why should it make any difference as to money being close? We are told in the East large amounts have been invested in the large manufacturing plants, such as the steel plants, etc. But if the money has been invested there it has simply changed hands, and why should that make any difference? I do not expect you to reply to these questions, but I should like to read something along this line.

Rock Rapids, Iowa.

O. P. M.

This question is not so difficult to understand as it at first appears. Our correspondent will easily see that if the aggregate amount of money available is the same all the year round, and at certain months there is an exceptional demand for it in the payment of wages and freight charges in moving crops in the West, and at the same time a similar demand for loans in undertaking great enterprises in the East, like the New York subway, for the payment of material and wages, that will make a seeming scarcity. That is to say, if the demand increases for loanable funds and the supply remains the same, there must necessarily be a pressure upon the loaning fund. If this exceptional pressure is in the East, of course the same funds will not be available for use in the West. It is true that the investment of money merely changes hands, but it is not available at two places at the same time.

Suppose that fifty millions are needed on the first of December by contractors and builders for the payment of wages and material in and around New York city. This money is changing hands, to be sure; it is going, through the hands of the laborers and material producers, into the retail trade and going back into the banks, but until that has taken place the same money is not available for moving crops in the West, and the banks furnishing these funds feel what they call stringency. As compared with the demand for

loanable funds the supply is smaller, though the total volume is actually the same. Now, if we had some elasticity in our currency, so that there could be an increase of note issues when this demand was larger, and a restriction when it was smaller, the supply of money would increase in some degree commensurate with the increase of the demand for it, and stringency would not occur or would be very much lessened. For example, suppose the loanable funds of the country are a thousand millions and the demand for loans at a certain time reaches eight or nine hundred millions, and sometimes only four or five hundred millions, it is easy to see that at the time the eight or nine hundred millions is required the loanable fund is getting very low and a fear may arise lest it go over the thousand millions, and caution leads the bankers to restrict their loans because the margin is getting small. Available funds are then what is called "very close;" there is "stringency;" but when only half this amount of money is needed, and several hundred millions are returned to the banks, they are anxious to loan it, that it may be earning them interest. All this takes place without any change in the actual amount of money; the change is all in the amount needed by borrowers. If the amount to be loaned could expand and contract commensurately with the amount required, manifestly this narrow margin or stringency would not occur, or it would occur only under most extraordinary circumstances.

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### President Eliot on Labor Unions

Editor GUNTON'S MAGAZINE,

Dear Sir:—I have noticed recently quite a little about President Eliot's remarks on the "scab," as a good type of the modern hero. I wish you would give me your views on this, and oblige,

F. B. P.

Brooklyn, N. Y.

Many of the points raised in President Eliot's address were anticipated in Mr. Gunton's lecture, printed in the LECTURE BULLETIN of November 1st, on "Trade Union



Responsibility." The subject was also discussed in the article, "Non-Union Man *vs.* the Scab," in our January number.

President Eliot, like a great many others who approach this question from an outside point of view, thinks in the terms of abstract individual rights. Dr. Eliot is intensely possessed by what we call the American idea, namely, the right of every individual to the free disposal of his own services; and to this there can be no exception taken; but in dealing with the trade union problem, where we come in contact with those things which stand out conspicuously as defects, like the walking delegate, limitation of apprentices and restriction of output, aversion to non-union men, and intolerance toward "scabs," we must recognize them as features that have grown up in the organization, and if we are to be at all philosophical we must look for the causes of these irritating characteristics.

We see characteristics equally objectionable in politics. The politician does things that are corrupting and debauching and strike at the very foundation of free government. In corporations we find certain features that are scarcely less reprehensible. But in all this the important thing to consider is how these objectionable features came into existence; there was a cause for every one of them, and it is not organization *per se*. In the case of labor unions, if the investigation is pursued along this line it will be found that in nearly every instance the bad features have been invented to avoid some unfair treatment by the employing class. The walking delegate came into existence as a method of protection against the blacklist. That the walking delegate became a walking despot, and perhaps a blackmailing quasi-politician, only shows that it ought not to have been necessary for him to come into existence, or that he ought rapidly to disappear; but the blacklist soon made him necessary, and the entire absence of a disposition to blacklist, or do its equivalent, must come before the objectionable walking delegate will disappear.

The limitation of apprentices and restriction of output

have come in a similar way. The limitation of apprentices gradually grew out of the disposition of employers to swamp men by the employment of children, and thereby lower the standard of wages and increase the advantage of employers over laborers generally. As soon as the laborers exercised any power they applied it to the restriction of the number of these apprentices that should be permitted. This began very early in the history of organized labor, because it was one of the early features of the employers' method of preventing the improvement of labor conditions. The apprenticeship system was legalized early in the reign of Elizabeth, merely for the purpose of giving employers and parents the power to compel children to follow certain handicrafts, and give employers a legal control over the apprentices, and, for a certain length of time, over the journeyman workers. It prohibited laborers from working at a craft unless they had served seven years' apprenticeship, which is the reverse of the freedom for which President Eliot now pleads. This was finally used, as already remarked, to flood the more highly paid crafts with children and young people, to press down the price of adult labor. Of course the trade union treatment of it is arbitrary, and often irrational and uneconomic, but it was born of the effort of self-protection against the unfair use of apprentices.

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### Public or Private Railroad Ownership

Editor GUNTON'S MAGAZINE,

Dear Sir:—Will you kindly answer the following questions:

(1) Would the people of the United States be better served by a system of railroads owned and operated by the government than by the present system? (2) What would be the effect upon passenger accommodations of such a system? (3) What do you consider are the greatest evils of the present system, and what are the best measures for their eradication? (4) Would legalized pooling under government supervision do away with the present discriminations and afford sufficient competition for the pub-

lic good? (5) Are there any states where laws to prevent stock-watering have been successful? (6) What have been the results in countries where government ownership and operation have been tried? (7) What are the strongest points in favor of the present system? (8) How do our freight and passenger rates compare with those in countries having government ownership and operation?

Mt. Vernon, Iowa.

E. S. D.

Whatever else may be said, our correspondent must be credited with knowing what he wants and asking for it in specific form. Let us take the eight questions in this order:

(1) Probably not. No experience thus far justifies the belief that the public is better served by government railroads than by private enterprise.

(2) That would depend entirely upon the policy pursued. If the same policy were pursued on passenger rates that is adopted by the English government on telegraph rates, they might be run at a loss and make up the deficiency out of the taxes, but the probability is that the passenger accommodation would not be as progressively improved as at present. With public ownership, railroad positions would be political jobs, and everybody knows that political jobs are filled mainly for political rather than economic fitness, and that efficiency and improvement are ever at a minimum, especially under democratic government with a boss system of caucus and convention management. Imagine the railroad system being controlled by such magnates as Thomas C. Platt, Matthew Stanley Quay, Richard Croker, David B. Hill, and their like, who invade our political machinery in every state and in every considerable city in the country. We might expect the same sort of efficiency that we get in these departments that are now under government. It is with great difficulty that we can have an honest primary, and almost impossible to have an honest convention. How then, through such methods, are we to expect more honest and efficient business management from the same source?

(3) The only serious evil in connection with the present railroad system is the discrimination between shippers.



The effort to get business has led to severe competition and to the offering of special rates to large shippers, and this in turn has led to men interested in large corporations owning a large if not controlling interest in railroads, thus insuring the most favored treatment and sometimes getting injurious favoritism. This should be corrected, as it can be, by a proper provision for government inspection and publicity, by which all parties interested may without expense have full information as to rates and contracts between the railroads and their competitors.

(4) No; legalized pooling would not do away with discrimination, but pooling is undoubtedly a legitimate policy under certain conditions. The Interstate Commerce Commission has been convinced of that.

(5) We are not aware that any states have succeeded in preventing stock-watering by law. The evils of this, by the way, are very much exaggerated. In the first place, much is called water that is not water at all; that is to say, in the organization of a company a considerable amount of stock may be given to those who organize it, and if it is a reorganization, including several companies, a still larger amount may be given for that purpose, and also in paying for the plants to be absorbed. It may be entirely legitimate to give in stock very much more than the cash cost of reproducing such a plant. A very large amount in this direction may be legitimately expended. If, for instance, the parties who organized the company or companies did not take pay for their services in stock they would have to be paid in cash. This would involve a greatly increased expenditure. When they take it in stock they assume part of the risk of the success of the company. Such payment is not watered at all; it is payment for services.

In the purchase of plants it often happens that twice as much will be given as it would cost to duplicate the plant, but it may be worth three times as much as a new one. The value of a business does not consist exclusively in the cost of the walls, machinery and mechanical equipment; the earning capacity very often demands twice as much upon

the name and reputation of the concern. Take the Carnegie concern, for instance; that might perhaps be duplicated for one hundred and fifty millions, but the business reputation and consequent earning capacity probably could not be duplicated for five hundred millions. The earning capacity of such a plant, which is due jointly to the proficiency of method and the established reputation of the firm, is a legitimate basis for capitalization. Business reputation is not water; it is investment; it has cost in most cases more than dollar for dollar what it can be sold for. There are certain bad features about "stock-watering," but the outcry against it is largely based upon uninformed sentiment. Watered stock does not affect prices or wages. If it is overdone to the extent that it leads to failure, it may tend to create business disturbance. The chief injury from stock-watering is that inexperienced speculators foolishly invest and fail to get expected dividends. But there is no reason for staying awake nights to sympathize with the misfortune of speculators.

(6) The service is poorer, less punctual, and the rates higher. Government ownership of railroads has nowhere given better results than the private ownership in this country. Mile for mile, the freight rates are lower here than in any other country.

(7) The strongest point is, that with the power of discrimination removed, success would go to the best management, which would automatically compel in railroading as in all other fields of industry constant improvement of service and increased accommodation and convenience for both passengers and shippers. Witness the immense improvement in passenger car service during the last twenty years.

(8) Answer same as sixth.

## BOOK REVIEWS

OUR BENEVOLENT FEUDALISM. By W. J. Ghent. Cloth; 202 pages. The Macmillan Company, New York.

This book is written apparently for the purpose of informing, or rather warning, the public that progress is a movement against public welfare. The author is evidently possessed with the notion that the industrial tendency of modern times is for a few people to monopolize the earth and the avenues of productive industry, and subject all the rest to a state of feudalism in which, perchance, they may be fairly well guarded, but in which they will neither have a voice nor recognized rights. He plays and even dawdles with statistics to show that all but the millionaires are losing their grip on the means of procuring welfare. He sees naught but ill in the tendencies of the great industrial movements. He reels off the names of "Mr. James J. Hill, Mr. Russell Sage, Mr. S. C. T. Dodd, Mr. John D. Rockefeller, Jr., the Hon. Marcus A. Hanna, and Mr. Charles R. Flint," as representing the organizers of the movement which is crushing our liberty and tending to reduce the masses to "villeinage." The status of the American farmer, he declares, is undergoing a "change which involves his ultimate reduction to a sixteenth-century level," and the wage-worker is, in spite of appearances, being reduced to poorer condition.

Just why this book was written is not clear on first reading, except it be to relieve the author's conscience of a burden which he must deliver to the human race in the shape of a warning against the calamitous goal to which modern progress is leading. It could not have been written for the purpose of really informing the reader of any important subject affecting the welfare of society, because in that case there would have been an attempt to use facts correctly, but on the contrary, there is a free use of figures with the apparent intention of stringing them together in such a way as to make them tell the most doleful story.



One would think from reading this book that the people of the United States were never so badly off and were never in such danger of being overtaken by poverty and serfdom as at the present moment. If the author encounters any statistics which seem optimistic he takes pains to so disarrange and rearrange them as to take every spark of hope out of their meaning. The prosperous and independent farmer is a doomed element in our population. As just remarked, he is undergoing a "change which involves his ultimate reduction to a sixteenth-century level."

The simple fact is that such writing is mere fustian; it is a dawdling with data, which makes them misrepresent the truth. If there is one thing more conspicuously true than another it is that the American farmers are exceptionally prosperous, and they have obtained more out of the present period of prosperity than any other class in the country. They have the advantage of selling their products at the maximum prices and buying their commodities at minimum prices. What they sell has risen in value, and what they buy has either been static or has largely declined in price. It has been especially a period of paying off mortgages and buying new farms. The prosperity has been so marked and general among farmers that it has almost killed populism. Mr. Ghent talks of the condition of the wage-earner in the same vein in which he discourses upon the fate of the farmer. He is impelled to admit the obvious and general increase of wages, but hastens by his—to say the least—irresponsible way of using data to show that the laborer is nevertheless worse off. Every effort of the capitalist to introduce the element of improvement in the laborer's condition is made to appear as a substitution of villeinage for freedom. The improvement is no relief or real betterment, but only a subtle oncoming of "our benevolent feudalism," under which the laborers will perhaps be fairly well cared for, but utterly impotent nonentities of society. He refers to Carroll D. Wright's 250 wage-quotations for 25 selected occupations as revealing "for the years 1895-98 a steady decline from the wages paid in the panic

years of 1893-94, to about the same wages as were paid in 1882." He refers to this in a glib, passing manner as if these were normal years and showed the tendency of wages under modern industry, whereas, as everybody knows who stops a moment to think, 1895-98 were among the depression years of the disrupting anti-protection experiment. True, the panic came in 1893-4, but the real effect upon wages did not come until a little later; then, as always in such cases, the movement of wages followed after the movement of prices, either toward adversity or prosperity. The panic was in 1893-4; profits disappeared and prices tumbled, and wages followed in 1895-6-7-8, and when prosperity returned the boom appeared, prices rose, profits were produced, and the rise of wages followed and is going on yet; and on the first of January a larger amount of increase in wages took place than on the first of January in any other year since the Declaration of Independence.

"The new feudalism," he says (page 74), "involves not only the moderating of the present rates of pay for men workers, but an increase in the quantity of defenceless labor—the labor of women and children." He then proceeds to quote various percentages of the employment of women and children to show that in the manufacturing pursuits these are increasing in number and mostly not increasing in welfare. Where increased wages are too obvious to be passed over the rise is attributed to a special cause, and wherever they are apparently static or declining they are presented as normal. The author is evidently so completely a victim of pessimism that he irresistibly presents ordinary data so as to deprive them of hopeful significance.

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AMERICAN MUNICIPAL PROGRESS. By Charles Zueblin. Cloth, 373 pp. \$1.25. The Macmillan Company, New York.

This is another contribution to the list of useful little books published as the Citizen's Library of Economics, Politics and Sociology. It is not a profound treatise on municipal reform, but—what is altogether more useful just

now—an intelligent, appreciative and readable account of the municipal progress made during recent years in the United States. It gives an account of what has been done in the leading cities of the country, like Philadelphia, Chicago, New York, Boston, etc. It has the merit of not trying unduly to persuade the reader to endorse any radical theory of municipal reform, but rather to give him information as to what has been and is being done. The state of transportation, sanitation, public schools, public parks and boulevards is described in a way to give the reader some intelligent idea of municipal progress in this country.

Although a spirit of fairness pervades the book, the reasoning is made to point towards the approval of public ownership. There is one respect in which it is like nearly everything else that is written on municipal subjects, namely,—it distrusts the modern methods of political administration and reaches the conclusion that so far as municipal government is concerned a species of socialism is the inevitable outcome.

It is peculiar that nearly all municipal reformers should be so strongly flavored with mugwumpery. Plague on both your parties, and for that matter on all political parties, seems to be the keynote of all who have thus far written on municipal subjects. The aversion to the objectionable in party politics appears to have had the effect of making them ultra civil service reformers, non-partisans and political fault-finders, and—to the extent that they are not at all constructive—they become socialists, or advocates of public ownership. To this, Mr. Zueblin is no exception. While he is not radical or offensive, his goal, for all efficient municipal improvement, is not public control, but public ownership.

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#### NEW BOOKS OF INTEREST

*The Memoirs of Paul Kruger; Told by Himself.* Recorded by H. C. Bredell, his Private Secretary, and Piet Grobler,



Under Secretary of State. Edited by H. Schowalter. Cloth, 444 pages; price, \$3.50. The Century Company, New York.

*Constructive and Preventive Philanthropy.* By Joseph Lee, Vice-President of the Massachusetts Civic League. Cloth, 242 pages. The Macmillan Company, New York and London.

*Problems of Modern Industry.* By Sidney and Beatrice Webb. Cloth, 286 pages; price, five shillings. Longmans, Green & Company, New York, London and Bombay.

*The Citizen in His Relation to the Industrial Situation.* By the Right Rev. Henry C. Potter, D.D., LL.D. Cloth; \$1.00. Charles Scribner's Sons, New York.

*The Work of Wall Street.* By Sereno S. Pratt. A presentation of material facts relating to money and speculation employed in this financial center. Cloth; price, \$1.25. D. Appleton & Co., New York.

*Irrigation Institutions.* A Discussion of the Economic and Legal Questions created by the Growth of Irrigated Agriculture in the West. By Elwood Mead, C.E., M.S. Cloth; price, \$1.25. The Macmillan Company, New York and London.

*Daniel Webster.* By John Bach McMaster, Professor of American History at the University of Pennsylvania. Cloth, 343 pages; price, \$1.50. The Century Company, New York.

*The Theory and Practice of the English Government.* By Thomas Francis Moran, Professor of History and Economics in Purdue University. Longmans, Green & Company, New York.

*Abraham Lincoln.* By John J. Nicolay. Condensed from Nicolay & Hay's "Abraham Lincoln." Cloth, 600 pages; price, \$2.40. The Century Company, New York.

*Actual Government as Applied Under American Conditions.* By Albert Bushnell Hart, Professor of History in Harvard University. The Century Company, New York.

*Funds and Their Uses.* A Treatise on Instruments, Methods, and Institutions in Modern Finance. By Dr. F. A. Cleveland, of the University of Pennsylvania. Cloth; price, \$1.25. D. Appleton & Company, New York.

## CURRENT COMMENT

### Anti-Trust Legislation

"It is undeniable that, in the matter of anti-trust legislation, the fifty-seventh congress has exceeded expectations. There was little reason to anticipate any action inimical to the interests of any of the monopolistic combines. That the bills already enacted constitute such action is clearly evidenced by the contortions, gyrations, and imprecations of a few newspapers that are generally assumed to represent the views of the trusts. The Elkins law and the publicity amendment to the department of commerce act, together with the ample provision made for prosecutions under the Sherman act, constitute a long and firm step in the direction which this congress was not confidently expected to take. Should the Littlefield bill fail to pass the senate, as in all probability it will, there will be law enough at the disposal of the department of justice on which to operate until experience furnishes further enlightenment."—*Washington Post.*"

"The truth appears to be that the President has not had the courage to stand by what were his past convictions. He vigorously blew the horn, but when the responsibility was put upon him of drawing the sword, his courage or his determination failed him. We are not passing upon the question of whether the Littlefield bill was in all respects a desirable piece of legislation; but certainly it was in accord with the president's past utterances. It had, as nearly as any congressional proposition could have, the approval in advance of the administration, and those who went forward in this matter, trusting in the constancy of presidential opinions, have certainly a right to feel injured now that they have been deserted, not because they proposed anything which the president did not wish to have advanced, but because, when the issue was sharply defined, he yielded to pressure brought to bear upon him by those whose corporate interests he had pledged himself to regulate. It seems to us that this experience will injure President Roosevelt more than almost any other incident that has thus far occurred in his public career."—*Boston Herald.*"

"The American people, however, have no desire to exterminate any corporation engaged in any legitimate industry. They recognize the necessity of the corporations. They desire only that these industrial organizations shall not do evil and shall not be permitted to employ their powers oppressively. And in promoting legislation limited to that purpose the administration has obeyed the will of the people. That the enactments of this congress will solve the whole trust problem is not to be expected. That problem is too complex. But these measures are a beginning of a solution. They are steps in the right direction, and as long steps as it was safe to take at the present time.

"In enacting them the republican majority in congress has redeemed the pledges made by Theodore Roosevelt to the people in the campaign of 1902. The republican party, led by Theodore Roosevelt, has overcome opposition within and without its ranks, and has kept the faith."—*Chicago "Inter-Ocean."*

"The present point upon which to fix attention is just what it amounts to as 'anti-trust' legislation, and that appears to be very little. As to everything but publicity it is nil, for it only aims to prepare the way for possible future legislation, and how far it shall do that is left to the discretion of the head of the bureau under the direction of the head of the department. . . . If this is not pushing aside the whole troublesome subject, and postponing action upon it to the Greek Kalends, it is hard to see by what plausible device that could be accomplished. It seals the triumph of those in the senate who were determined to have no 'anti-trust legislation' at this session, and yet the administration is reported to be satisfied with carrying out the programme."—*New York "Journal of Commerce."*

"The truth is, the trust problem is not understood at the best, and any attempt at summary legislation is likely to prove disastrous . . . Furthermore, trusts are interwoven with the protective tariff. Competition would be restored upon thousands of trust-made articles were only a duty sufficient for revenue imposed upon them, but the



republican party is wedded to the protective tariff. The trusts may keep on operating without foreign competition as long as the republican party is in power. It is exceedingly doubtful that any other remedy can be devised, and until the democratic party is restored to power we shall have to continue under the domination of trusts."—*Louisville "Courier-Journal."*

"The present congress has provided for a vigorous enforcement of the Sherman law. It has passed a law which it is believed will prevent rebates and special rates to favored shippers on the railroads. It has arranged for an inspection of the books and affairs of all corporations doing an interstate business. These are certainly adequate beginnings of efficient anti-trust legislation. The present congress might have been more radical, but it might also have been more unwise."—*Des Moines "Register and Leader."*

"Mischievous and unconstitutional are the proper words to apply to most of the proposals for government interference in private business of which we have heard so much in Washington lately. We observe that a somewhat noted politician declared a few days ago that 'the trusts' were to be the 'paramount' issue in the next presidential campaign. With certain republican leaders struggling to incorporate as many wild and foolish notions as possible into laws on this subject, how can the democratic party expect to make a national issue of 'the trusts'? It cannot be done.

"It is politics, and nothing else, which leads so able a man as Senator Hoar to lend his indorsement to a bill which flies in the face of the federal constitution and would go far to destroy the enterprising spirit of all American business men if it were to be enacted by congress."—*"Hartford Times."*

**The Race  
Problem Again**

"The question may with propriety be asked, Why not treat the negro in the South as he is treated in the North—that is, to let him alone, and let him find his way by his own efforts? Why should the national executive make an exception in the case

of the negro in the South? Is there any reason why he should receive special favors in the South that he does not receive in the North? There is no attempt there by the executive to force him into political and social prominence. It has been said by a prominent cabinet officer that the government is under obligations to look after him. Why more of him than the negro of the North? Both are under the same relations to the white race and treated about the same in both sections. Negroes are holding office in the South by appointment of the national executive, not because of their civic virtues, but simply because they are negroes. The truth is, they have distinction in republican conventions by betraying the highest trust and have received their reward. . . . Recent occurrences have greatly added to the race prejudice and they have become disturbing elements, interrupting the cordial relations between the races. No greater harm can be done to the negro than impressing him with the conviction that he is a special favorite of the nation."—*Hon. S. D. McEnery, U. S. senator from Louisiana, in "The Independent."*

"Negroes in office at the South is no new thing. We know of instances as far back as 1868 where colored men were made village postmasters, petty magistrates, etc., not only without protest from the property holders, but through their influence actively exerted. It is not that. The question is one of having thrust upon them in positions of intimate relations with the community negroes to whom the community strongly object, and, even more than that, having the performance so conducted as to make it a denial of home rule and an appeal to the vanity and the discontent of every foolish, vicious and half-educated negro within a circuit of two hundred miles. There is no serious mystery involved in this question. It happens, simply, that Mr. Roosevelt is advised by men who either know nothing about southern men and things, or will not tell him the truth."—*"Washington Post."*

"It is not denied that the offices in the South can be filled by white men who are competent. It cannot be urged

that the black officials forced upon the South are the men best qualified for the discharge of the duties of the offices. No intelligent man who is familiar with the political situation believes that these appointments are made with an eye single to the welfare of the colored people. Their welfare lies in the opposite direction, as Booker Washington has so ably pointed out. The appointments are pure personal politics, and it may turn out that they are bad politics. At any rate, neither Mr. Root nor any one else has attempted to show that they will redound to the permanent benefit of the negro race in the United States."—*Louisville "Courier-Journal."*

"Secretary Root is right—the negro has been denied the suffrage. But one is not so sure that racial hatred of the negro has increased in the South. Lynchings measurably declined during last year, a significant sign, we should say. It is true that appointments of negroes to office and the reception of negroes at the white house have aroused more criticism in the South than during the administrations of McKinley and Harrison, and have even excited resentment. Is that a sign of intense racial antipathy, or is it a case of reflex politics?"—*New York "Evening Sun."*

"Lincoln . . . was not for political any more than he was for social equality between the white and the colored races. If he had lived, the nation would not have had universal colored suffrage, and this would have been not alone from Mr. Lincoln's conviction on the subject, but also from the feeling that it was not needed in the interest of either of the races. It was Lincoln's successor in the presidency, Andrew Johnson, whose action in raising new hopes among the men who had lately been in rebellion against the government seemed to make full colored suffrage a necessity. Lincoln, however, did not propose to deprive the colored men of suffrage forever, and that because their skin was black. In his later days in the presidency, he suggested that the more intelligent of them, and especially those who had fought in the union cause, might have the suffrage."—*Boston Herald."*



"Every state has a right to fix the qualifications and standard of its citizenship; it can establish property or educational qualifications, but they must apply to all regardless of color, and there is no reason why they should not. The ignorant white man is just as poor a citizen as the ignorant negro. Ignorance is a menace to representative government, whatever its color. If the southern states would uniformly establish property and educational qualifications for voting, nearly all the negroes and ever so many of the poorest whites would be eliminated from the political problem of the South, and the cause for this political race prejudice would disappear. Parties would divide according to interests, and we might expect a more wholesome public spirit. . . . The South is justified in asking the whole nation, and the civilized world for that matter, frankly to recognize that negro suffrage has been a failure and is a menace to the southern states, and the nation has the same right to ask the southern states with equal frankness to face and cheerfully accept reduced representation in congress." —George Gunton, in *"Is Negro Suffrage a Failure?" "Lecture Bulletin of the Institute of Social Economics," Feb. 16, 1903.*

**Some General  
Aspects of the  
Venezuela Case**

"These South American republics . . . cannot expect to be shielded from the legitimate consequences of incurring debts that they cannot pay or defaulting in payments to which they are pledged. They must maintain governments which are not the product of constant revolution and subject to the disturbance of continual insurrection, unless they are to keep foreign capital and foreign subjects out of their jurisdiction altogether, which they will hardly be permitted to do. In fact, it is too late to shut the door now if the civilization of the age would permit it. If European nations cannot enter South America to collect debts, to enforce obligations, or to obtain redress in the manner that is traditional with Europe, on account of the attitude of the United States and the necessity of respecting the independence and territorial integrity of those countries, then . . . the

United States will have to do something to bring their conduct up to its own standard or be set down as shielding them in the application of theirs. This is a responsibility the nation will have to face unless the construction of the Monroe doctrine is to be revised."—*New York "Journal of Commerce."*

"Whatever may be the future purpose of the allies, it is quite apparent that the Venezuela adventure has not popularized the Anglo-German alliance with either the subjects of the kaiser or those of King Edward. If the combination had won an unqualified success in the first exploitation of it, Germans and Englishmen might have sunk their dislike of each other in gratification over the outcome. But the first child of the alliance is a ridiculous mouse. There is neither credit nor profit for England or for Germany, and the national dislikes are intensified in the effort of the people of each nation to place the blame on the government of the other for what has happened."—*"Pittsburg Chronicle-Telegraph."*

"Amazement is the only feeling with which we can now look back upon the miserable muddle from which we at last emerge. The alliance between Germany and England for collecting debts and compensations in Venezuela must be reckoned as one of the least worthy exhibitions of international friendliness that the world has yet seen."—*London "Daily News."*

"British prestige has been lowered. Notwithstanding the manner in which England has been attacked and traduced by German statesmen and German generals, the British navy has been placed at the disposal of Germany. The settlement of this miserable affair cannot, under the circumstances, be paraded as a triumph for British diplomacy."—*London "Daily Mail."*

"We have never known a more genuine and spontaneous feeling of protest to be aroused among the members of a party by the blundering of its leaders. They simply will not follow those leaders in the matter of the German alliance. It is hopeless to wait for such feeling to blow

over. It will merely become more intense and more resolute through waiting. The only wise course is for the government to show that they are doing their best to get as quickly as possible out of the quagmire into which they so heedlessly walked."—*London "Spectator."*

"If it is found by this Venezuelan experience that in one way or another the United States holds itself responsible for these South American republics, and when their peace is threatened by foreigners is willing to go farther and do more than ordinarily a neutral nation would, we imagine it will be found expedient to press claims against the other Spanish-American republics, in the hope that in this way the United States will devise means for their settlement. . . . We have been repeatedly told by friends and critics across the water that we must either let Central and South America entirely alone or must assume responsibility, and it is not improbable that in accepting, even in a modified degree, the position of umpire or arbitrator, President Roosevelt will give what is considered an official indorsement to this idea of American responsibility."—*"Boston Herald."*

**Control of the  
Panama Canal**

"Article 23. If it should become necessary at any time to employ armed forces for the safety or protection of the canal, or of the ships that make use of the same, or the railways and other works, the republic of Colombia agrees to provide the forces necessary for such purposes, according to the circumstances of the case, but if the government of Colombia cannot effectively comply with this obligation, then, with the consent of or at the request of Colombia, or of her minister at Washington, or of the local authorities, civil or military, the United States shall employ such force as may be necessary for that sole purpose, and as soon as the necessity shall have ceased, will withdraw the forces so employed. Under exceptional circumstances, however, on account of unforeseen or imminent danger of said canal, railways and other works, or to lives and property of the persons employed



upon the canal, railways and other works, the government of the United States is authorized to act in the interest of their protection, without the necessity of obtaining the consent beforehand of the government of Colombia; and it shall give immediate advice of the measures adopted for the purpose stated; and as soon as sufficient Colombian forces shall arrive to attend to the indicated purpose, those of the United States shall retire."—*From canal treaty with Colombia, now before U. S. senate.*

"The proection of the canal is left primarily to Colombia, and can only be attempted by the United States in emergencies. This is not at all what was promised the people as a condition precedent to the acceptance of the route. Colombia has driven a hard bargain, and it may still be modified."—*Louisville "Courier-Journal."*

"If 'any old thing' will do, so long as it takes the United States down to the isthmus, then perhaps there is nothing more to be said. The *Republican* must protest, however, that if this is the condition of affairs the word ought to have been quietly passed around in due season. Even then, however, it would have been hard to refrain from saying that this treaty, as a diplomatic achievement, was a disappointment, in view of the fact that there was more than one available canal route. It is difficult to get it out of one's head that the United States ought to have civil and military control, without any conditions whatever, of a narrow strip of territory for which it must pay so much money down and which will cost it in the end somewhere between \$200,000,000 and \$300,000,000. And this would have been said had the same treaty been negotiated with Nicaragua instead of the more southern republic."—*"Springfield Republican."*

"When all causes of delay shall have been removed, when the industrial forces of the United States shall be cutting this passage through the Panama isthmus, and in later years, when the completed canal shall be serving the interests of civilization, our people will recall with gratitude the names of those who labored faithfully and successfully to clear the way of freedom of action by this nation, and to

procure the selection of the best route. The convincing arguments of Senator Hanna at a critical time in the history of canal legislation will not be forgotten, but the greatest credit will justly be given to Mr. John Hay, who sought so earnestly to preserve the principle of a broad and beneficent neutrality, and has conducted the negotiations at Washington and Bogota with so much patience and tact."—*"The Independent," New York.*

**The Lynch  
Treason Case**

The defendant owes this result entirely to himself, and mainly if not altogether to his stupefying impudence. If he had kept quiet and private, it is very unlikely that any proceedings would have been taken against him. He is probably not the only Irishman, by several hundreds, now in the United Kingdom who has borne arms for the Boers. But he is the only one who has had the face to ask for the votes of British subjects on that account. For him to come back red-handed from the war in South Africa and run for parliament on his "war record," with the intention of taking an oath of allegiance if he won, was a paralyzing piece of assumption. It would not be submitted to in any country in the world, in our own as little as in any other. The verdict of all impartial persons must be that that of the jury served him right."—*"New York Times."*

"Lynch . . . virtually challenged the government to prosecute him by appearing in London to take his seat in the house of commons. No self-respecting government could have ignored him under such circumstances. Personally, Lynch must bear his present ill-luck with what grace he can because he brought it upon himself. Had he remained abroad a few years, his case would have passed from the public mind and then he might have returned to England in safety. For it is impossible to separate his treason from the great body of discontent which makes Ireland an open sore in the empire. The Irish people, as a whole, were in sympathy with the Boers, and while the Redmonds, Healys and Davitts boldly spoke their sentiments

in Parliament, Col. Lynch merely illustrated them at the scene of war."—"Springfield Republican."

"Clemency toward the criminal should never be permitted to lessen abhorrence of the crime. It may be well to imprison a murderer rather than to hang him. But if men were thus led to regard murder as a less heinous crime, and to hold more lightly the sanctity of life, then such commutation would itself be a moral crime against humanity. The state may be able to treat traitors with mercy. But if thus it were to lessen the odium of treason and to encourage men to play loosely with their oaths of allegiance, it would be committing both a folly and a crime against its own life."—*New York "Tribune."*

#### Current Price Comparisons

The following are the latest wholesale price quotations, showing comparison with previous dates:

	Feb. 21, 1902	Jan. 12, 1903	Feb 16, 1903
Flour, Minn. patent (bbl. 196 lbs.)	\$3.90	\$4.10	\$4.10
Wheat' No. 2 red (bushel) . . .	88	80	82½
Corn, No. 2 mixed (bushel) . . .	68	58½	60
Oats, No. 1 mixed (bushel) . . .	50	40½	43½
Pork, mes4 (bbl. 200 lbs) . . . .	16.50	18.00	17.75
Beef, Ham, (bbl., 200 lbs) . . . .	19.50	21.00	19.50
Coffee, Rio No. 7 (lb) . . . . .	5½	5½	5½
Sugar, Granulated (lb.) . . . . .	4⅞	4⅞	4⅞
Butter, creamery, extra, (lb) . . .	30	28½	26
Cheese, State, f. c, small fancy (lb.)	12	14	14½
Cotton, middling upland (lb.) . . .	8½	8⅞	9⅞
Print Cloths (yard) . . . . .	3½	3	3½
Petroleum, refined in bbls. (gal.)	7⅞	5⅞*	5⅞*
Hides, native steers, (lb.) . . . .	12	12½	11½
Leather, hemlock (lb.) . . . . .	25	24½	25
Iron, No. 1 North, foundry (ton 2000 lbs.) . . . . .	17.50	23.00	24.00
Iron, No. 1 South, foundry, (ton 2000 lbs. . . . .	16.50	22.00	23.50
Tin, Straits (100 lbs.) . . . . .	25.00	28.37½	29.87½
Copper, Lake ingot (100 lbs.) . . .	12.25	12.37½	12.95
Lead, domestic (100 lbs.) . . . . .	4.10	4.12½	4.12½

\*In bulk, New York.



	Feb. 21, 1902	Jan. 12, 1903	Feb. 16, 1903
Tinplate (100 lbs., I. C., 14x20)...	4.35	3.95	3.95
Steel rails (ton 2000 lbs.) . . . .	28.00	28.00	28.00
Wire nails (Pittsburg), (keg 100 lbs.) . . . . .	2.05	2.00	1.90
Steers, prime, Chicago (100 lbs.)	—	5.75	4.90
Fine silver (per ounce) . . . . .	—	48	48 $\frac{3}{8}$
Bullion value silver dollar . . . .	—	37 $\frac{1}{8}$	37 $\frac{5}{8}$
Ratio, gold to silver . . . . .	—	1-43 $\frac{1}{10}$	1-42 $\frac{7}{10}$

*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities, averaged according to importance in per capita consumption, for February 1 and comparison with previous dates, as follows:

	Jan. 1 1893	Feb. 1 1898	Feb. 1 1899	Feb. 1 1900	Feb. 1 1901	Feb. 1 1902	Jan. 1 1903	Feb. 1 1903
Breadstuffs .	\$15.750	13.651	14.410	13.486	15.062	19.505	17.104	17.760
Meats . . . .	9.315	7.516	7.823	8.612	8.592	9.494	9.522	9.180
Dairy, garden	15.290	12.481	10.897	12.580	13.866	14.384	14.613	14.337
Other food . .	9.595	8.251	9.084	9.401	9.418	8.961	9.418	9.365
Clothing . . .	13.900	14.805	14.257	17.572	16.271	15.460	15.938	12.268
Metals . . . .	15.985	11.635	12.731	18.112	15.845	15.494	17.185	17.095
Miscellaneous	14.320	12.266	12.532	16.413	15.956	16.278	16.576	17.015
Total . . . .	\$94.155	80.605	81.734	96.176	95.010	99.576	100.356	100.920

English prices of staple commodities, as given by the *London Economist*, are as follows:

	Feb. 7, 1902			Jan. 2, 1903			Feb. 6, 1903		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
Steel rails (long ton, 2,240 lbs.) . .	5	7	6	5	10	0	5	10	0
Scotch pig iron (long ton, 2,240 lbs.)	2	9	7	2	13	4 $\frac{1}{2}$	2	13	1
Copper ( " " )	55	2	6	53	7	6	56	10	0
Tin, Straits ( " " )	112	10	0	120	15	0	132	12	6
Tin Plate (108 lbs., I. C., 14 x 20)	0	12	10 $\frac{1}{2}$	0	11	9	0	11	10 $\frac{1}{2}$
Sugar, granulated (112 lbs.) . . .	0	15	9	0	15	9	0	15	9
Lead, Eng. pig (long ton, 2,240 lbs.)	11	13	9	11	1	3	11	13	9
Cotton, middling upland (lb.) . . .	0	0	4 $\frac{9}{16}$	0	0	4 $\frac{9}{16}$	—	—	—
Petroleum (gallon) . . . . .	0	0	6 $\frac{3}{8}$	0	0	6 $\frac{1}{16}$	0	0	5 $\frac{1}{16}$

(American equivalents of English money: pound \$4.866; shilling — 24.3 cents; penny — 2.03 cents.)

The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*, as follows:

	Dec. 31, 1901	Jan. 12, 1903	Feb. 13, 1903
Average, 60 railway . . . . .	102.99	103.53	108.20
" 10 industrial . . . . .	63.45	63.40	65.41
" 5 city traction, etc . . . . .	137.37	137.15	134.92

Prices of certain significant stocks on the New York stock exchange, showing range during the year, as given by *Bradstreet's*, and the asking prices of certain other stocks, as furnished by the *New York Tribune*, are as follows:

	Closing Prices		Range during	
	Jan. 12, 1903	Feb. 11, 1903	1902 Highest Lowest	
Amer. Beet Sugar (com.) . . . . .	—	—	30	30
Amer. Sugar Ref. (com.) . . . . .	132 $\frac{1}{2}$	131 $\frac{1}{2}$	135 $\frac{1}{2}$	113
Amer. Tobacco (pref.) . . . . .	—	—	151 $\frac{1}{2}$	140
Cont. Tobacco (pref.) . . . . .	118	117 $\frac{1}{2}$	126 $\frac{1}{2}$	114
Gt. Northern Ry. (pref.) . . . . .	202 $\frac{1}{2}$	—	203	181 $\frac{1}{2}$
International Paper (pref.) . . . . .	—	73 $\frac{1}{2}$	77 $\frac{1}{2}$	70
N. Y. Central R. R. . . . .	153 $\frac{1}{2}$	150 $\frac{1}{2}$	168 $\frac{1}{2}$	147
Pennsylvania R. R. . . . .	155 $\frac{3}{4}$	150 $\frac{5}{8}$	170	147
Ph. & Read R.R. (1st pf.) . . . . .	86	—	90 $\frac{1}{2}$	79 $\frac{7}{8}$
Southern Pacific Ry. . . . .	66 $\frac{3}{4}$	65 $\frac{7}{8}$	81	56
U. S. Rubber (pref.) . . . . .	57 $\frac{3}{4}$	54 $\frac{1}{2}$	63 $\frac{1}{2}$	49 $\frac{1}{2}$
U. S. Steel (com.) . . . . .	37 $\frac{3}{4}$	39	46 $\frac{1}{2}$	29 $\frac{3}{4}$
" " (pref.) . . . . .	88 $\frac{7}{8}$	88 $\frac{3}{4}$	97 $\frac{3}{4}$	79
Western Union Tel. . . . .	91 $\frac{1}{2}$	90 $\frac{5}{8}$	97 $\frac{1}{2}$	84 $\frac{1}{2}$
	Asking Prices			
	Jan. 12, 1902	Feb. 15, 1903		
North. Securities Co. . . . .	112 $\frac{1}{2}$	113		
Standard Oil Co. . . . .	736	740		
Swift & Co. . . . .	124*	128		
U. S. Shipbuilding (pref.) . . . . .	54	—		

\* Bid.

## OPENING OF NEW RAILROAD IN CUBA

J. W. DAVIES

With admirable alacrity and a praiseworthy spirit of enterprise, the new Cuban railroad, extending from Santa Clara to Santiago de Cuba (a distance of some 400 miles), has recently been completed and opened to the public for regular traffic. Cuba now enjoys the benefit of possessing a main system of railway facilities from one end of the island to the other, running through the very heart of the country and connecting the chief inland cities and towns with the most important seaports.

The completeness of this undertaking is a very striking illustration of the greater efficiency of railway enterprise as compared with political tinkering, in the practical and useful development of a newly acquired territory, both for the betterment of the people and in the interests of the country at large.

When Cuba was ceded to the United States in August, 1898, barely one-half of the island had the advantage of railway facilities. The eastern and greater portion was practically devoid of railway communication and consequently virtually undeveloped. Immediately after the signing of the protocol of peace in 1898, the late President McKinley, with characteristic practical foresight, specially commissioned Mr. Robert P. Porter to visit Cuba as speedily as possible to inquire into and report upon the industrial, commercial and financial condition of the island. In that portion of his report dealing with the vital question of railways, Mr. Porter wrote:

"The railway system of Cuba, consisting of seven companies—the aggregate length of whose lines is only 917 miles—is entirely inadequate to bring the extreme ends of the island together, Santiago and Havana, in point of time, being as far apart as San Francisco and New York, though only separated by a distance of a few hundred miles. The facts gathered on this subject point to the advisability





Clearing the Jungle

of immediately constructing a trunk railway from end to end of the island, with branches extending north and south to the important cities and ports. From whatever standpoint it may be viewed, no one enterprise could do so much to influence the situation on the island. No revolution could have existed if such a railroad had been completed by the former government, and nothing will so rapidly tend to the revival of commerce and general business with facility for quick passage from one end of the island to the other and from the trunk line over branches to the seaboard cities. All political turbulence will be quieted thereby and prevented in the future. The entire country will be open to commerce, lands now practically of no value and unproductive will be worked, the seaport towns will become active and commerce between the island and the United States will soon be restored. . . . After a careful study of the situation it would seem extremely doubtful if such an enterprise could be made a commercial success for many years to come."

Mr. Porter's honest candor in pointing out the extreme doubtfulness of such a very much needed venture being "a commercial success for many years to come" made it almost hopeless for national undertaking and highly improbable for the risk of a private commercial hazard, inasmuch as the prospects of profit in the near future were not sufficiently inviting.

At this critical moment, however, and when the desirable and advantageous development of the island remained in abeyance and apparently uncertain for some time to come, Sir William Van Horne, with wonted courage, marshalled together a few of his kindred influential and enterprising railway magnates, who together resolved to at once make a thorough investigation as to whether the suggestions contained in Mr. Porter's report could not be efficaciously carried out immediately. With this object in view a staff of practical men was engaged and sent over to Cuba to carefully survey the whole of the eastern part of the island. Sir William Van Horne personally made a tour of inspection and minutely observed the character of the country, the nature of the land, and studied the most convenient and beneficial route, both from a railway and commercial point of view.

In less than a year the whole area was surveyed, a suggested route planned out, and in fact the contemplated work actually begun at the basis of operation. Within three years the entire line of railway—nearly 400 miles in



Clearing Track for Opening of Railroad



Special Locomotive Clearing the Track

length—has been completed in a highly satisfactory manner, and notwithstanding the many difficulties that had to be encountered in the construction through rock, forest and jungle, and over vales, rivers, streams, dells and plains, the task has been accomplished without accident or hitch.

The main objects of the Cuba Railway Company in building this railroad appear to be “to develop the eastern and larger part of the island of Cuba, by constructing a trunk line connecting Havana with Santiago de Cuba and gradually to extend branches on either side to the principal towns and important agricultural districts, as well as to the chief seaports.”

The new railway is of standard gauge and its bridges are of steel and masonry ; its equivalent is similar to that of the best American railways, and it is intended at an early date to run through express sleeping cars between Havana and Santiago de Cuba.

The trunk line begins at Santa Clara, where the hitherto existing western system ends, thus affording a continuous communication on to Sancti Spiritus, Puerto Principe



and Santiago de Cuba. Along the main line are to be found great areas of land of the richest description, well watered and to a great extent well wooded, and suitable for sugar cane, tobacco, Indian corn, cotton, coffee, cocoa, and all the fruits of tropical and sub-tropical regions. The mineral wealth of this large tract is said to be very valuable, and the rural districts are peculiarly adapted for cattle; indeed, cattle do well everywhere, for the grasses are luxuriant and highly nutritious, and there is usually an abundance of good water.

The most important branches' of railway soon to be opened are those running across the eastern part of the island connecting Santiago de Cuba with the Bay of Nipe at the extreme end, another further up from Jugaro to San Fernando, and two smaller lines forming a connection with Sancti Spiritus and Holguin respectively. When these works are finished, as they soon will be, the whole island will be opened out and provided with excellent railway facilities for both commercial transportation and passenger traffic. A direct trunk rail connection will then be established between Havana and Santiago de Cuba, and the most important seaboard cities will be connected by branch lines, and the whole system will develop a vast extent of new and attractive country for settlement and cultivation, all of which will add largely to the attractions Cuba offers to tourists, for it will make many interesting places and districts easily accessible which have heretofore been difficult to reach and rarely visited.

The climate of Cuba is, for the tropics, fairly good. The most healthful parts of the island are in the eastern provinces (through which the new railway runs), due chiefly to an invigorating combination of sea and mountain breezes. It is a remarkable fact that the employees of the Cuba company have, as a rule, been free from illness of any kind, notwithstanding that they have been engaged on railway construction under conditions not always favorable to health. The healthfulness of the area will be greatly enhanced by improved sanitation and irrigation. The present population

is estimated at 1,000,000 only, though the resources of the island are said to be sufficient to maintain ten times this number of persons.

Cuba is not inappropriately described as "the Pearl of the Antilles" and key to the Gulf of Mexico. Not only is



Specimen of Large Culvert

it the largest, but the most important and the wealthiest island in the West India archipelago. Its full length is about 900 miles, and the greatest breadth from sea to sea does not exceed 120 miles. The mountain regions are extremely picturesque, but very sparsely populated, and for the most part little known. Their slopes are mostly covered by forests and jungles, whose rich vegetation, constantly moistened by innumerable springs, streams and heavy dews, is exceedingly luxuriant. There are some beautiful waterfalls, amongst which the cascades of the Rosario are the most celebrated. A number of fair-sized lakes, vast caverns rising over huge reservoirs of fresh water, and many caves and grottoes, add considerably to the beauty of the scenery of the interior. Unlike many of the West India islands, Cuba is entirely free from poisonous reptiles and has fewer mosquitoes and similar pests than other southern regions.

There are no obtainable government lands on the island; practically all of the property is held by individuals, and in the eastern half especially in large areas. No systematic land survey has as yet been made, and the expansive tracts are mostly in irregular forms and their boundaries are usually defined by water-courses, roads or natural objects, and in some cases the boundaries are doubtful in whole or in part. Land titles in the occupied and newly settled parts are in many cases defective, though the government has recently taken steps toward their perfection.

In the case of Cuba, railway enterprise is likely to confer upon the island far greater benefit than any amount of political diplomacy and negotiation can accomplish. With the opening of the new railroad she is about to enter upon an era of industrial development which must soon tend to ameliorate her present political and economic condition and difficulties, enhance the commercial prosperity of the country and consequently conduce to the betterment of the inhabitants far more effectually than the wisest of legislative enactments or the most reasonable of treaties.

Not the least important and remarkable feature in connection with the new railway company and enterprise is





Steel Bridge

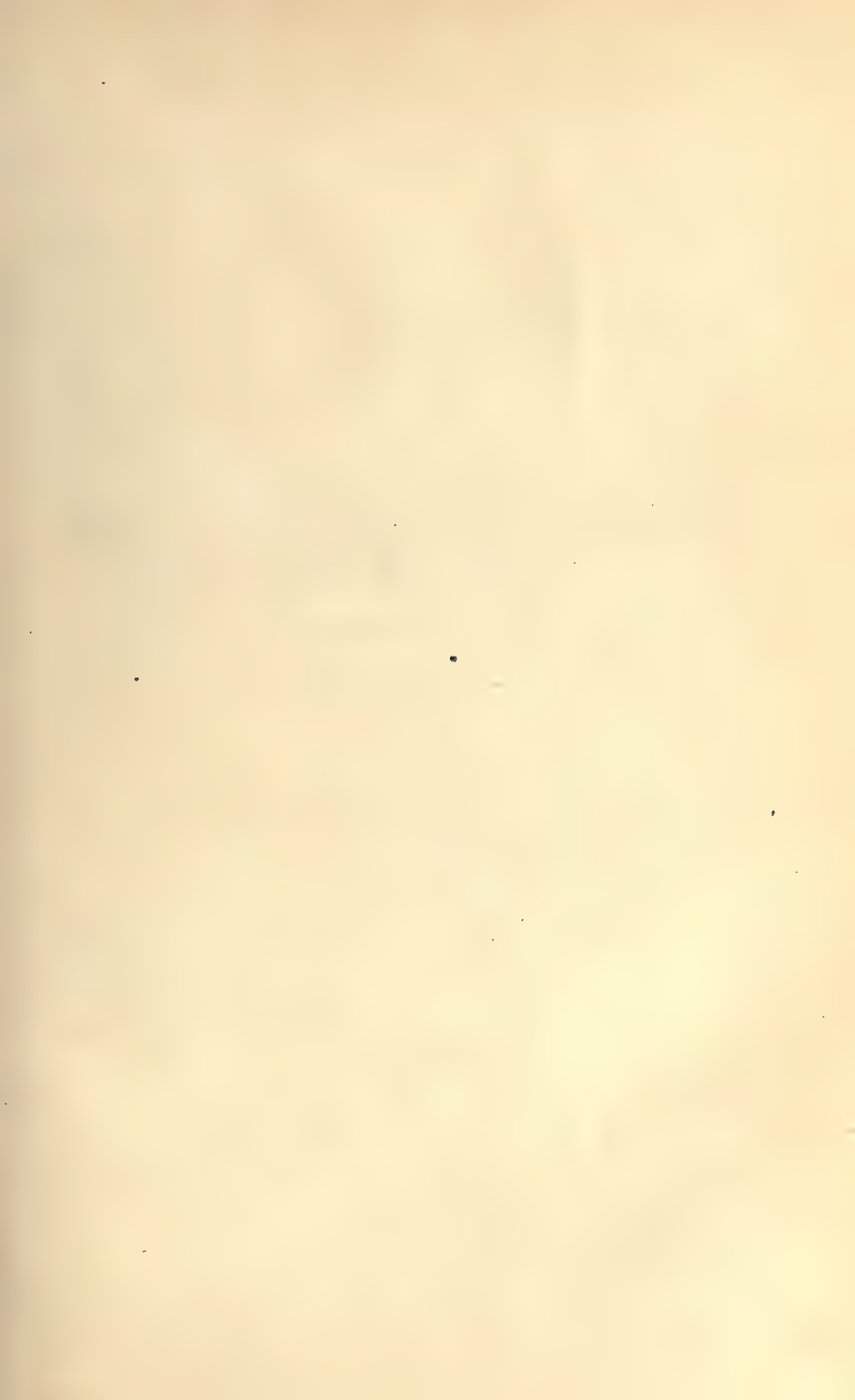
the combination of American and British interests and influences. This combination is in happy consonance with similar existing interests on the island, and has already produced unmistakable evidence of a very promising future for Cuba, commercially, politically, socially and generally.

Simultaneously with the opening of the railway an official announcement from the state department at Washington states that the Cuban government has opened to commerce no less than sixteen ports, and the state department has been advised by the consulate that the following ports are now open for importation and exportation of merchandise, viz.: Havana, Matanzas, Cardenas, Ysabella de Sagua, Caibarien, Nuevitas, Gibrara, Baracca, Guantanamo, Santiago, Batabano, Manzanillo, Santa Cruz, Tunas de Zara, Cienfuegos and Trinidad. And finally Mr. I. White Todd, chairman of the Cuban Central Railways limited, when speaking at a recent meeting of the company, stated that the new government inaugurated in Cuba under American auspices was proceeding most satisfac-



Temporary Head Office of Company, Puerto Principe

torily; he considered that the American authorities had shown every disposition to act fairly toward the vested interests of the railroads, and he was assured that Cuba had in store for her a very bright, peaceful and prosperous career.





"Peace hath her battle fields,—where  
they who fight, win more than honor, van-  
quish—more than might, and strive against  
a fiercer foe, than one who comes with  
battle-axe and bow."

—*Edwin Arnold.*

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"Sail on, O! Union, strong and great!  
Humanity with all its fears,  
With all its hope of future years,  
Is hanging breathless on thy fate."

—*Henry Wadsworth Longfellow.*

# GUNTON'S MAGAZINE

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## THE WATERBURY INJUNCTION

The injunction issued by Judge Elmer against the strikers and their sympathizers in Waterbury, Conn., is the most sweeping instrument of its kind ever put forth in this country. It is issued, primarily, to restrain disorder and violence, and the improper use of "moral suasion" by the strikers; but it covers every form of supposeable acts of strikers or their friends to influence, directly or indirectly, either laborers employed by, or passengers patronizing, the street railways. It names seventeen labor organizations, their officers, and more than a hundred individual members, and is also directed against "all whom it may concern," whether specifically named or not. It covers practically all the unions and members thereof in Waterbury. In addition to this, the company has begun suit against the unions named in the injunction for the sum of twenty thousand dollars. The individual members of the unions are joined on the charge that they have personally done things from which damage has resulted, even if only in encouraging the strikers to quit work, or in remaining out. Such measures completely bind the laborers' hands. The injunction forbids them, under penalty of fine or imprisonment, to encourage or countenance the strike in any way, and the civil suit ties up the funds of all the unions in town, and so makes it impossible for them to render any aid to the strikers. No matter what funds they have, they cannot be disposed of for any purpose whatsoever until the suit for damage is settled. Nor does the civil suit stop with the seizure of the funds in the union treasury, but it also makes every individual member responsible to the amount of any money he may possess, to satisfy this suit for damages.

In the civil suit for damages the case is exactly analogous to the Taft Vale case in England. There the unions were sued for damages resulting from the strike, and a decision was rendered against them. The case was taken to the highest courts, and finally to the house of lords, where the decision of the lower courts was sustained and all the unions were mulcted to the full amount. The defence of the unions in that case was, that they were not a corporation, and therefore could not be sued as an individual. This claim was overruled by the courts, and it was held that inasmuch as they had an association which acted as an individual, and whose members accepted the decision of the association as affecting their strikes, it was an organization within the law, and adjudged amenable to damages; in other words,—it was declared to be in effect a corporate person capable of suing and being sued. This was accepted as good common law in England, and is held by eminent lawyers as sound law in this country.

Judge Elmer has evidently acted on this theory. It makes the legal status of unions and the right to strike into a concrete issue, which the unions and the public must face in this country. The question involved in the Waterbury injunction and civil suit is—whether labor unions can order a strike, and whether they are, in the absence of incorporation, amenable for damages resulting from such strike. If both these points can be maintained, as in the Waterbury case, it is quite clear that the work of labor unions, so far as affecting strikes is concerned, is thoroughly checkmated. It is perhaps well that this issue has come in specific form. It may hasten a culmination of the conflict between organized capital and organized labor.

The American people are pre-eminently in favor of fair play. Neither common law nor civil suit will long be permitted to deprive any body of citizens, especially workingmen, of their rights before the law. No amount of precedent will be permitted to take away the freedom of laborers to ask for higher wages or other improvements, and the right to quit work if this demand is refused.

But this spirit of fairness revolts against tyranny and



brute force coercion, no less on the side of labor than that of capital. The fact most conspicuous in the public mind in connection with strikes is the lawlessness of strikers. It is true that there is much less rioting in strikes than there once was, but it is useless to deny that no considerable strike takes place without interference with personal freedom and the safety of property. The press and employers always insist upon attributing all the lawlessness and overt acts to the strikers, which is unfair, because it is often untrue. In reply to this charge, the press and the employers say: "If there were no strike, there would be no violence." It would be equally true to say: "If there were no politics, there would be no corruption, and if there were no society, there would be no crime."

A strike, like a fire, affords an opportunity for the loose and lawlessly inclined to follow their inclinations, and they too frequently take advantage of it. It is not true that violence is a part of the policy of trade unions, but the public is disposed to hold the unions responsible for whatever disorder may occur through strikes. The press emphasizes this inclination to such an extent that any interference with persons or property is really charged to the account of the unions. In the Waterbury case this attitude is conspicuous.

Lawlessness is a fact which the unions are bound to face, and whether the violence is perpetrated by members of the union or not, the unions must take a more vigorous stand in favor of peaceful methods. Thus far the unions have contented themselves with a general denial and by the issuing of proclamations against violence. This is not effective. It is too generally believed that disorderly conduct is winked at while the forbidding of violence by proclamation is going on.

It is this conclusion which has led to the issuance of the arbitrary and sweeping injunctions that have been granted by the courts within the last few years, especially the last year. The one in West Virginia prevented speakers from addressing meetings, and committees from distributing strike funds. The one in St. Louis last week, against the Wabash employees, forbade the firemen and trainmen from leaving their work, which was a literal prohibition of a strike in advance. And now

comes the Waterbury case, coupled with the civil suit for damages. This is really the culmination of the tendency, with the approval of public opinion, to prevent violence and intimidation in connection with strikes. Of course it serves the purpose of employers to absolutely defeat all the purposes of labor unions.

If such injunctions as that issued against the employees of the Wabash, and such suits as that for damages against the unions in Waterbury can obtain, then the unions might just as well disband, for their power to act in any efficient way to enforce their demands is gone. Whether such acts will be maintained as a part of the law in this country will depend entirely upon public opinion. No matter what the common law may be, unless it has the approval of public opinion it will be superceded by specific suit-law, and that very promptly; but in order to get the confidence of the public and create such a public opinion as shall give the labor unions as good a legal status as the corporations have, the unions must take a definite, unqualified stand against violence and unfair methods. Thus far they have not done so.

It ought to be a part of the policy and rules of every union, that any member of a labor organization who is proven to have intimidated a non-union man, or encouraged or participated in the injury, or destruction of property, should be expelled from the union, and not be permitted to rejoin. If the unions are to have the benefit of organized action and the co-operation of the public, they must assume the responsibility of maintaining order, and the safety of individuals and property from molestation during the strikes which they inaugurate. In other words, they must exercise something of a police function over their own forces when they order a strike.

It is useless to argue that unions have a right to throw a whole community into idleness, and not be responsible for the conduct of those thrown into idleness. On the contrary, they produce the idleness for a specific economic purpose, and they must assume the responsibility for keeping the idle orderly and law-abiding. If they don't do that, then the owners of property, the public and the civil institutions will all be in-

voked, and ultimately conspire to find means to paralyze their action.

Injunction is a method that has been employed, and since 1894 it has been used more and more frequently, and with increasing rigor, having its climax in the Waterbury case. The success of this injunction in restoring peace and order, and the success of the injunction in St. Louis against the Wabash men, in preventing the strike, will give much encouragement to the employing class and to the public, as a means of preventing labor disturbance. Existing conditions might as well be squarely recognized by organized labor. A public will not constantly tolerate violence as a means of conducting industrial controversy. Unless the unions act in earnest to prevent violence, and insist upon peaceful methods in conducting their controversies, every interpretation of law, though it destroy individual freedom and ultimately prevent effective organization, will be countenanced and supported by public opinion.

The civil suit for damages which, as already remarked, is exactly in line with the Taft Vale case in England, is but another step in the silent evolution of organization. Heretofore, not only unions, but trade associations of every name and nature, have acted jointly and escaped all responsibility by not being incorporated, the theory being that a legal charter is necessary to make an association a legal person. If the theory of the Taft Vale and Waterbury cases is sustained, then irresponsible association will be at an end. The incorporation of trade unions will be unnecessary, and the fact of voluntary association will constitute the creation of a legal individual with the full responsibility of action that is implied by a charter. Such a course would affect many others besides labor unions. The clearing-houses, for instance, which are among the most responsible organizations in the country—assuming often to regulate and adjust the money circulation of the country—are as legally irresponsible as are trade unions. There is not a clearing-house in the country that is incorporated, and therefore it cannot be sued for the recovery of any certificates it may issue.

If it is once established that voluntary association creates



legal responsibility, the matter of incorporation is at once simplified and corrective responsibility defined. Under such conditions, trade unions become legally responsible organizations, as much so as corporations, and will in every way have the same status. Such a result cannot be permanently avoided; it must come sooner or later. It is not tenable that organizations including millions of men can through their action suspend the industrial operations of the country and be entirely free from responsibility. If the unions will assume this responsibility, and eliminate from the strikes all violence, so far as their members are concerned, and assist the authorities in the prevention of disorder among outsiders, there will be no difficulty about the right to strike being maintained and protected.

## ARE WE REALLY PROSPEROUS?

There is a certain class of people in this country with whom it seems to be a profession to prove that we are not really prosperous. Whatever the volume of business, the amount of increased production, advance of wages, extension of commerce, or swelling of bank clearings, it is all interpreted as "inflation" or fictitious prosperity, economic debauch, etc. Indeed, it is described as anything or everything except real prosperity. These people struggle very hard to show that laborers are no better off, but are even worse off than formerly, and that the possibilities for thrifty business men have well-nigh disappeared.

This pessimistic, depreciating estimate of our industrial condition is made the basis of all sorts of disturbing agitation and legislation. The unseemly stampede in and out of congress against trusts is encouraged and largely inspired by this kind of reasoning. The clamor for reciprocity treaties, and the revision of the tariff is another business-disturbing policy that is justified by the same mode of reasoning. Mr. Cleveland, with those who think him a statesman, is ready to consecrate himself to the sacred duty of radically reducing our protective duties, on the theory that our prosperity is fictitious and the nation is really suffering from the burden of protection.

It is really astonishing to find the number of people and papers that encourage business-disturbing legislation under the delusion that we need it to promote our business prosperity. It really seems sometimes as if these people believe what they say, so persistently do they say it. This is the more astonishing when we observe that they are composed largely of intelligent people. Such papers, for example, as the *New York "Evening Post," "Journal of Commerce,"* and *New York "Times,"* and such papers in New England as the "*Boston Herald*" and "*Springfield Republican*," with some of the strongest papers in Philadelphia, Chicago, and other cities, take this view.

In the light of our present experience, it is difficult to take

these people seriously on this subject. Yet they are not yellow journals, but represent the class who wash their faces and wear custom-made clothes, and not infrequently preside over the instruction of American youth in the institutions of higher education. It is difficult to resist the impression that the views of this class are, after all, governed more by political prejudice than careful observation. This view is strengthened by the fact that they all rally to the support of one political party whose main object is to get into political power. They struggle hard to create a public opinion that shall demand a change of industrial policy which shall call for their return to power, but they are unfortunate in having all the facts against them. They appear to be so thoroughly imbued with their theory that their reasoning and predictions have little or no concern for facts.

We are constantly being told that the tariff is handicapping domestic manufacture and destroying the opportunities for industrial development by putting such a tremendous burden on foreign raw materials, and embarrassing and impoverishing the consumer, thereby lessening consumption by the tariff on foreign commodities. From the general statements of this kind, which are said with an earnestness often verging on fanaticism, one would suppose that business in this country was declining, and that all other countries, particularly England, where they have no such handicapping tariff, are in a high state of prosperity; and especially would one imagine that our export trade was going to destruction. Yet the facts are all the other way. We are nearly the only country in the world that is keeping up the high pace of domestic prosperity. In foreign countries trade is declining; they are complaining on every side about the dullness of business. England is on the verge of industrial depression. In Lancashire the operatives are working only four days a week, while in this country everything is moving at the high-water mark of prosperity. Nor are prices abnormally inflated. On the contrary, in all great lines of manufacture prices have become thoroughly steadied, with a tendency downwards, not through any depression or lack of business, but from the normal steadying of



economic forces. This is largely due to the steadying influence of the large corporations. It is in the lines where these concerns are most influential that prices are steadiest and business most prosperous.

Among farm products, where capital is not concentrated, and few if any corporations exist, prices still tend to rise. In bread stuffs, for instance, where the great milling concerns exist, prices have fallen during the last twelve months from \$19,505 to \$17,760. Since January first, meats, general foods, clothing, and metals, have all fallen, and the general average price representing 350 commodities has shown a declining tendency. All this shows that prices are following a normal economic tendency. This tendency is taking place in spite of the fact that in almost every line of productive enterprise the demand is pressing very hard upon the supply. Manufacturers and dealers in nearly all the great industries have more orders than they can fill. Domestic commerce is blocked and transportation is much delayed by the fact that the railroads are unable to handle adequately the business. This pressure is so great that the railroads are spending and planning to spend hundreds of millions to increase their terminal and transporting facilities. The Pennsylvania road, for instance, is now preparing to spend a hundred millions to increase its present facilities. Our export trade is increasing so much that international commerce is seriously interrupted through the inability of the railroads to furnish cars and locomotives to ship the commodities to the seaboard. This is shown by the earnings of the railroads as well as by the delay of shipments. According to the latest statistics, the earnings of the railroads during 1902 aggregated \$1,528,344,977, which is an increase of \$82,000,000 over 1901; in addition to this evidence the fact is that an enormous increase in the wage bill of the railroads has been made during the year.

In the leading cities of the country great public works are being undertaken at a rate never known before. There is likewise immense increase of wages. Such conditions indicate that the capital of the country is being fully and profitably employed, and that the consumption of the people is steadily in-

creasing. These are the two facts which constitute the backbone of national prosperity. Nor is this all. Our export trade is also increasing immensely. The exports of domestic products for February show an increase of \$20,266,966 over those of last year.

The English economic observers are not as blind to our prosperity as are the English imitators in the United States. The *London Economist*, of February 28, in speaking of this country, says:

The state of trade in general reads like a fairy tale. The wildest flights of optimistic fancy during 1902 did not picture the enormous gains in traffic returns, industrial and agricultural outputs, and of general demand in excess of production, which it is now plain will mark 1903. More attention is being paid to railway earnings' returns, perhaps, than ever before. The December totals show great gains, but as the increased expenses due to higher wages did not fully appear for that month, the January figures have been eagerly awaited. These figures, which cover 75 roads, with a mileage of 95,095 miles, show an increase in gross receipts of more than \$5,000,000, or 9.4 per cent. The January gross has been rising for several successive years, and the present increase of \$5,145,523, therefore, comes on top of all these previous gains. For instance, in January, 1902, and in January, 1901, the returns recorded, respectively, \$4,043,010 and \$4,345,501 improvement, and for January, 1900, there was a \$6,315,720 increase, the extent of road covered in these years having been much the same as in the present year.

As further evidence of the growing prosperity of this country and its power to reach out into foreign markets without any reduction of the tariff, almost every country is becoming afraid of industrial invasion by the United States. Such fear is almost chronic, even with England, and the continental countries have shown evidence of economic hysteria on this matter. It has been suggested in several quarters that a European federation be established against industrial invasion of Europe by the United States. Germany, France, Russia, and even England, have been seriously disturbed on this subject. A short time ago, the *London Economist*, in describing the American invasion of Canada, said:

Whilst we are all dreaming of closer union with England, and resorting to artificial contrivances in order to facilitate the process, the

fact remains that the natural forces are pulling the other way, and making for the closer commercial union of Canada with the United States. A year ago I gave some account of what is popularly called the "Invasion" of Canada by American capital. Such industries as iron and steel, coal, nickel, lumber and pulp, railroad-building, lobster and salmon canning, oil refining, mining, etc., are being carried on by Americans with characteristic energy, and, usually, with profit to themselves and all concerned. Conditions in Canada so nearly resemble conditions in the United States that it is as easy for American capital to operate on one side of the international boundary as on the other, whereas British capital invested here is not always successful, being apt, like electrical energy, to suffer loss in long-distance transmission.

The movement of population from one side of the boundary to the other is another interesting and significant phenomenon. Until recently the flow has been all from Canada to the United States. In 1900 there were 1,200,000 natives of Canada and Newfoundland living in the States. By a native is meant a person born in Canada or Newfoundland—that is to say, the American census does not credit Canada with persons born in the United Kingdom or other parts of Europe who emigrated to Canada in the first instance, and, after sojourning here for a time, moved across the line; all such are set down as settlers from the country where they originally hailed from. There is no doubt that the United States contains a vast number of Old Country people who came to Canada of their own accord, or through the persuasion of Canadian government agents, only to pull up stakes after a longer or shorter stay. But, if we take account merely of the 1,200,000 native Canadians carried off by the exodus, it must be allowed that they represent a truly a truly enormous economic loss, seeing that the total population of Canada at the present day, native and foreign born, is but 5,400,000.

A high English authority makes out that Canadians leave their country to escape the rigor of its climate. As a matter of fact, 80 per cent. of the absentees are found in the New England states, New York, Illinois, Michigan, Wisconsin, Minnesota, and Dakota, where, taking it all round, the climate is little, if any, milder than that of Canada, and perhaps not so healthful. They go away, not to seek the sun, but to better their lot. The 300,000 French Canadians living in New England have gone there to work in the factories; they prefer that kind of life to hewing farms out of the pine forests in the northern wilds of Quebec. Similarly, the young people who go from the Maritime Provinces to New England go in search of the employment which is so hard to get at home; and so with the young men from Ontario who rush to Chicago and New York.

In the face of these facts and all this testimony, one would imagine that it would be difficult to find anybody in this coun-



try insane enough to advocate any important change in, and much less the destruction of an industrial policy under which so much of benefit has taken place. Yet the fact remains that many of the most responsible papers and all of the democratic party are not merely willing, but are anxiously advocating that the existing protective policy shall be abandoned, and that it shall be done in the interest of promoting domestic prosperity and our foreign trade; and they are asking the people to vote for this change of policy on the plea that the laborers are suffering from low wages, consumers from extortionate prices, and business from lack of opportunity for development. What is even more surprising, is that the administration, which was elected to office to support the policy which has been so abundantly justified by results, is showing signs of being affected by the delusive agitation against our protective policy, and against the growth of large corporations which is the result of our prosperity and the means of rendering our present industrial achievement permanent and still more successful.

If ever there was a time when the people of a country should refuse to listen to the preachers of pessimism, and turn a deaf ear to schemes for political experimentations, that time is now. No policy ever so completely justified its friends, no prosperity ever so bewildered enemies, as the experience of the last five years. Capitalists may be excused for struggling against the unfair methods of labor unions, and the workmen may be justified in demanding more recognition and a firmer status for organized labor. There are numerous problems of municipal government, and improvement of the educational and economic conditions among our urban population, but on the question of protection and reciprocity, every American citizen may properly be expected to say to the political adventurer: "You may advocate populism and socialism, single-tax and public ownership, and you may paint the virtues of free trade and reciprocity, but as for me and my house, we will sustain the present protective system."

## THE CZAR'S REFORM PROCLAMATION

In all essential respects, Russia is the most backward nation in christendom. No other nation professing Christianity has so little of the spirit of freedom in its religious institutions and social life, and so little of the principle of representation in its government. It has not the semblance of a parliament; not even the aristocracy have any voice in the government other than that which the influence of personal character, wealth and social position can command.

In the matter of representation, Russia is more backward than England was in the reign of King John. In all matters of religious opinion, personal freedom and political rights, she is literally in the thirteenth century. She is numerically and geographically the largest country in Europe and—with the exception of China—in the world, having a population of over 129,000,000, an area of 8,666,395 square miles, and a standing army, in time of peace, of 1,111,338 men. Yet, with a population fifty per cent. greater, and an area more than two and a half times larger than the United States, she has only twenty-three thousand miles of railroad, or less than New York, New Jersey and Pennsylvania, with a joint population of 15,000,000. It is not surprising, therefore, that Russia is the land of anarchy, lives and breathes the spirit of militarism, and is a menace to the peace of Europe and of the world.

Since the 19th of February, 1861, when the grandfather of the present czar (Alexander II.) issued his emancipation proclamation, by which twenty-three million serfs became free-men, no advance has been made in the religious, social or political freedom of the Russian people. The czar is the emperor of all the Russians, and as such is the divinely-appointed, absolute authority over all matters, secular and religious. It may be said, with some truth, that there has been no demand for freedom in Russia, either in religious or political matters, in any such sense as has taken place in other countries in Europe. There has been no equivalent to the French revolution, or to the uprising in Germany and continental Europe in 1848, nor

anything approaching the agitation for industrial and political rights which has characterized the history of England during the last hundred years. This, however, is largely due to the fact that the iron hand of the Russian government has been so rigidly upon every Russian, that the expression of a desire for any modification of their religious or political institutions was a cause for exile to the mines of Siberia. Just as soon as any new voice was heard, it was suppressed by this despotic policy of death or exile. For this reason, every expression of desire for reform was done in secret, and very largely by violent methods, in which assassination was the chief argument. The discontented were held down by terror, and they expressed their discontent, or suggested their new demands, by inflicting terror. So for a long time the Russian government has been very largely occupied in organizing detective agencies, police surveillance, and armies, to suppress the expression of dissatisfaction among the people.

It was reported that at the time of the assassination of the present czar's father (Alexander III.), on March 13, 1881, a scheme had been formulated to inaugurate gradually a constitutional form of government, but the present czar and his advisers, incensed by this tragedy, decided not to adopt the liberal policy of Alexander III., but rather to increase the rigor of the policy against the nihilists. Thus, in the effort to keep order and suppress progress, Russia has been compelled to adopt an intolerably despotic policy. In thwarting and suppressing by brute force all the tendencies of the Russian people towards normal development and the gradual evolution of religious freedom and constitutional government, Russia has been the conspicuous enemy of human progress in Europe, if not in the world. Much of this despotism was made necessary by the established policy.

Despotism is very much like lying; when once established, it needs more and more of the same quality to sustain it. In the French revolution, Robespierre, who was personally not a vicious man, committed so many murders to sustain his absolute authority, that his personal safety came to depend upon sending every man to the guillotine who differed with him.



This is very much the case with Russia. The suppression of freedom has been so persistent and brutal that none who differ with the authorities can be trusted. There being no freedom of opinion tolerated, dissent from the established policy is assumed to mean a conspiracy against the government, and under the existing policy, that supposition is generally well founded. Consequently, the very safety of the throne and the royal family has made it necessary to imprison or exile all who venture to demand any religious or political reform, however mild and moderate. Even poor, harmless, old Tolstoi was excommunicated by the church and banished by the state.

Personally the present czar has shown many signs of sincerely desiring to improve the condition of Russia and to modify the traditional despotism of its public policy. This spirit was indicated by calling the peace conference at The Hague. It showed, at least, that he was ready for a less militant policy for Europe. The same disposition to modify the iron rule of despotism and introduce at least the spirit of progress characterizes the reform proclamation just issued, of which the following is the full text:

On ascending the throne of our ancestors by the providence of God, we made a solemn vow before the Almighty and our conscience to sacredly guard the centuries-old pillars of Russian power and to dedicate our life to the service of our beloved fatherland in indefatigable solicitude for our subjects. We chose, in order to assure the well-being of our people, the way indicated by the memorable deeds of our predecessors, especially our never-to-be-forgotten father. God pleased to interrupt the deeds of our father by his early death, and thus laid on us the sacred duty of completing the consolidation of order and truth begun by him in conformity with the exigencies of national life. The troubles agitating our country, which to our deep regret have partly been sown by designs hostile to the state and partly engendered by doctrines foreign to Russian life, hinder the general work of ameliorating the well-being of our people. These troubles confuse the public mind, remove the people from productive labor, and often ruin families dear to our heart and young energies, among high and low, necessary to the internal development of the country.

In demanding the fulfilment of this, our will, while remaining strongly opposed to any violation of the normal course of national life, and having confidence that all will loyally discharge their local duties, we are irrevocably decided to satisfy the needs for which the state

has become ripe, and have deemed it expedient to strengthen and decree the undeviating observance of the principles of tolerance laid down by the fundamental laws of the Russian empire, which, recognizing the orthodox church as the ruling one, grant to all our subjects of other religions and to all foreign persuasions freedom of creed and worship in accordance with other rites, and we are further resolved to continue the active carrying out of measures for the improvement of the material position of the orthodox rural clergy, while enabling them to take a larger share in intellectual and public life.

In accordance with impending measures for the consolidation of the national economy the efforts of the state credit institutions, and especially the nobles' and peasants' banks, should be directed to strengthening and developing the welfare and fundamental pillars of Russian village life and that of the local nobility and peasantry. These principles, marked out by us for the revision of the laws of the rural population are, when formulated, to be referred to the provincial government councils, so that with the assistance of persons enjoying the public's confidence they may be further developed and adapted to the special conditions of individual localities. In this work the fundamental principle of the inviolability of communal property is to be maintained, while at the same time means are to be found to render it easier for the individual to sever connections with the community to which he belongs, if he so desires.

Without delay measures must be taken to release the peasants from the present burdensome liability of forced labor. Thorough reform is to be effected in the provincial governments and district administrations by the local representatives, while attention will be devoted to securing closer co-operation between the communal authorities and parochial trustees of the orthodox churches wherever possible. Calling upon all our subjects to co-operate in strengthening the moral foundations of family, school and public life, under which alone the well-being of the people and the confidence of every one in the stability of his rights can develop, we command our ministers and chief officials concerned in this matter to submit to us their views regarding the execution of our intentions.

The sincerity of the czar's desire for military disarmament was questioned in many quarters. It was suggested that if he wished to be taken seriously, he should reduce the standing army of Russia, instead of preparing to make new conquests in Asia. Similar criticisms are being made on the present proclamation. With the exception of certain organs in Europe, the press has treated the czar's proclamation as largely made up of colorless phrases, and really insuring no im-

portant reformation in the direction of practical freedom and progress.

Such criticism is not well taken. It should be remembered that the czar, though theoretically an absolute monarch, is really a creature of intensely crystallized environment. The habits and customs of Russia are as binding, and in many respects more rigid, than the written constitution and statutory laws of the United States. There is no imperialism strong enough to enforce a policy that runs counter to the religious and social prejudice of the people, and particularly of an ignorant, superstitious people. Those who ask the czar to introduce the principle of democracy and establish representative institutions in Russia at single stroke, are asking for a miracle; they demand the impossible. Such a step has never been successfully accomplished at any time or any country in the world's history. Whenever it has been tried, it has resulted in failure, and often reaction. It is contrary to the whole spirit and condition of evolution.

The enlargement of freedom and the advent of democratic institutions must come through the growth of the economic, social character, and political ideas of the people. Any attempt to force more liberal institutions in advance of this societary preparation is sure to result in failure, because it is creating responsible duties before the fitness to perform them. This is exactly what was done in this country in the case of negro enfranchisement. Negroes were given the suffrage without exhibiting any interest in or preparation for the duties of citizenship, and it was given in opposition to the strong social prejudice of the community in which the negroes lived. The result is that all the economic, social and political forces of the community, coupled with the indifference born of ignorance, of the negroes, have conspired to make negro suffrage a failure.

Such a state of things would be true to a much more dangerous extent in Russia. It might easily lead to irrepressible confusion, and perhaps revolution. It should be remembered that in extending the right of religious opinion to others than members of the Greek church, the czar had to encounter the



united influence of the entire Russian hierarchy. The clergy of an established church were never known willingly to extend equal rights to new creeds and sects. It is only under the pressure of strong demand that such rights have been conceded in any country. The Protestant Reformation had to make a great struggle against the established powers of the older church, and the Dissenters and Nonconformists in England and other countries had to make an equal struggle for similar rights against the established church. It is not surprising, therefore, that the proclamation regarding the freedom of non-Greek church religionists is very moderate. So, too, with political institutions. If the czar had proposed to change, radically, the political methods of Russia, he would have encountered the opposition of all the social leaders, diplomats, governors and generals throughout Russia. It would have been an easy matter for these, with the clergy, to have turned the people of Russia against the czar and jeopardized the imperial throne itself.

If the spirit of the czar's proclamation is converted into practical policy, it will constitute a great step in the direction of liberalizing the institutions of Russia and making possible real progress toward social advancement and individual freedom among the Russian people. Such an expectation is not unreasonable, since it must be assumed that the czar has the approval and co-operation of his chief advisers, sacred and secular, in preparing and promulgating this (to Russia) extraordinary ukase. Unless it is pure hypocrisy, it is significant for the czar to publicly declare that:

"We are irrevocably decided to satisfy the needs for which the state has become ripe, and have deemed it expedient to strengthen and decree the undeviating observance of the principles of tolerance laid down by the fundamental laws of the Russian empire, which, recognizing the orthodox church as the ruling one, *grant to all our subjects* of other religions and to all foreign persuasions freedom of creed and worship in accordance with other rites. . . . Without delay measures must be taken to release the peasants from the present burdensome liability of forced labor. Thorough reform is to be effected in the provincial governments and district administrations by the local representatives."

If uttered in good faith, this means that Jews, as well as Christians, not belonging to the orthodox Greek church, will have the right to worship and organize into religious societies with the same freedom as those of the orthodox state religion. This will give religious freedom not only to Christians outside the Greek church, but also to Jews. The paragraph prohibiting "forced labor" abolishes the last remnants of industrial bondage in Russia. It is manifest by this sentence that the emancipation of the serfs did not give entire freedom to the Russian laborer. It still left him where he was liable to be involuntarily forced to labor; in other words, he had not the full freedom of contract, and of mobility to come and go as his own interests might determine. The removal of the last remnants of enforced labor, the establishment and protection of the right of religious freedom, and the introduction of some degree of representation in local administration, really constitute important, substantial reform for Russia, and if faithfully carried out will lay the foundation for the national growth of freedom, the opportunity for which has never before existed in Russia.

## APPLICATION OF THE MONROE DOCTRINE BY EUROPE

R. S. GUERNSEY

We see much from time to time in the public prints about the Monroe doctrine; but there does not appear to be much in history that enlightens us as to when it was, if ever, acknowledged and applied by the great European powers in a direct manner, and with results that were then, and will ever continue to be, of the most momentous character to the growth, development and prosperity of the United States. This great event came about in 1814, some years before the announcement by President Monroe in his famous message of Dec. 2d, 1823, from which the principle received its historic name; and from which the people have derived an idea of its character. We feel great interest in its enforcement when the Mexican and South American governments are endangered and interfered with by European rulers. When we recall that the same principle was allowed to be applied by European nations to save us all of the territory west of the Mississippi, known as the "Louisiana Purchase," and also all of the northwest territory that was occupied by the Indians east of the Mississippi and north of the Ohio, we are almost confounded at the thought! Such is the fact, however, as history can show how the territory that now comprises more than eighteen states were saved to us by the Monroe doctrine applied by Europe. When was it, and how was it? It was in our infancy and in our weakness. The history of the treaty of Ghent will show how it was effected.

It was at the close of the war of 1812, after Napoleon had been defeated by the allied powers, when peace was to prevail in Europe, and Great Britain was free to attend to the war in America and desired to do so to a finish. History will not let bygones be bygones. We must recall some of the incidents of that period, then all will be made clear.

After the abdication of Napoleon and the treaty of Paris



by the allies, on April 23d, 1814, intelligence of which did not arrive here until June 10th, the United States was more anxious than before for peace, while Great Britain was more in favor of continuing the war with much rigor. The offers of negotiations for peace by us were not noticed, although our ambassadors were ready and waiting for many months to meet the British commissioners that had been appointed.

On the 30th of May, by a treaty at Paris between the several European powers, a congress of nations was to assemble at Vienna for the purpose of restoring peace to Europe. Intelligence of this movement did not arrive in New York until the middle of July.

It was not until August 6th, 1814, that the British commissioners arrived at Ghent, the agreed place of meeting. The negotiations began on the 8th of August, at which time the claims of Great Britain were fully presented. The next day a meeting was held, and the negotiations proceeded on the terms and demands offered by the United States. There had arrived on the evening previous other instructions known as of June 25th and 27th previous. These instructions authorized the commissioners to waive, if necessary, every point for which the war was commenced, but they were not presented at this time. On the 11th of August, our commissioners were instructed by letter of that date that the United States would go no further than as stated in the instructions of June 25th and 27th, "because it will make no sacrifice of the rights of honor of the nation. If Great Britain does not terminate the war on the conditions which you are authorized to adopt, she has other objects in it than those for which she has hitherto confessed to contend. That such are entertained there is much reason to presume."

At several meetings of the commissioners, the British discussed and attempted to get concessions from the United States relating to the Canadian boundary; an independent Indian territory in the northwest between Canada and the United States; British trade with the Indians; North American fisheries; British navigation of the Mississippi; restriction of the United States colonial trade; navigation of

the Lakes, and the like, but at the end of October, after abandoning all other demands, and after all the claims on the part of the United States had been waived, pursuant to the instructions of June, the British offered to conclude the treaty on the basis of *Uti Possidetis*. This meant that the vast territory of Louisiana, extending to the Pacific, and the northwest territory, and that part of Maine north and east of the Penobscot river would be retained by the British. The United States did not then have possession of any British territory. This proposition meant much to the European nations, who were greatly in favor of restricting the future dominance of any one nation on the ocean. It was apparent to all that if Great Britain acquired more territory on the American continent, it would create a maritime power which would again be a menace to the peace and freedom of other European powers, and if she was allowed to retain the extensive territory of the United States already obtained by conquest in the war the same conditions would confront Europe. Mr. Bayard, one of the negotiators for the United States at Ghent, in a letter dated October 26th, published here in December, stated that Great Britain was disposed to wait the issues of the congress at Vienna before she would close the negotiations one way or the other.

The professed object of the congress at Vienna was to restore the European powers as nearly as possible to the condition in which they stood prior to the French revolution of 1792. It was claimed on the part of the United States' commissioners that the United States should have a formal representative in this congress. This the congress would not allow. But the exclusion of a formal representative could not prevent consideration of the facts and existing conditions affecting nations. Some of the smaller kingdoms in Europe and the Swiss and Genoese republics were not admitted to the conference in the congress, but were in attendance at Vienna and had their interests represented by such of their neighbors as were disposed to support them.

The United States commissioners at last, on the 24th of October, stated to the British commissioners that they could

only repeat former declarations and "decline treating upon the basis of *Uti Possidetis*, or upon any other principle involving a cession of any part of the territory of the United States." The action of the congress at Vienna had enabled the United States States commissioners to take this stand firmly.

The proceedings in the congress were secret, but it was well known who would help the United States in the discussions. Russia and Prussia were together to check the maritime power of Great Britain. Austria was friendly and had a secret treaty with France. It was known that America needed no better or abler advocate for her interests than M. Talleyrand, who represented France in the congress. He had always been and still was the firm friend of America, and a skilled diplomat, as well as one of the most active and prominent members of the congress at Vienna. He had much to do with our purchase of Louisiana. Albert Gallatin, one of the United States commissioners, was his friend and an old acquaintance. In this way American interests and desires could be considered in the action of the congress. Another influence in favor of France and America against undue British supremacy was the Russian representative in the congress.

In the early part of October, M. Talleyrand presented a memorial to the envoys of the congress at Vienna protesting against the aggrandizement of other powers, particularly Great Britain, and claiming that they should all return to the conditions of 1792, the same as France had done under the treaty signed at Paris, April 23d, 1814. It was apparent that if this condition was to be observed the negotiations at Ghent must follow them, as to America, because so many European powers were interested in colonial possessions on the North American continent and the islands contiguous. The British campaigns by sea and land against the United States were also being considered in Europe. Thus matters stood for some little time, when the news of some of the battles and American victories in the summer of 1814 arrived in Europe. Henry Clay, one of the commissioners at Ghent, said that public opinion showed strongly in favor of the stand taken by the United States. This had considerable effect upon the congress and the ne-



gotiations at Ghent. The movement of Talleyrand was considered favorably, and applied to European nations by the congress. The application of this rule to the American continent followed, and was undoubtedly due to Talleyrand's diplomacy in bringing it up and having it backed by Russia and other powers. Lord Castlereagh, the British representative in the congress, could not do other wise than accept it as to America, and yield to a treaty on that basis.

The treaty of Ghent was in fact and effect a mere withdrawal of hostilities on the part of the United States, and Great Britain was to surrender all the conquered territory, more extensive than that of the eighteen states that then comprised the nation, and the contending nations were to be restored as near as possible to the condition they were in at the time of the declaration of war. The possession and rights of the Indian tribes in America were to be restored by each party as they existed prior to hostilities in 1811, and they were to cease hostilities. The United States' treaties with the Indians were not ratified until after the treaty of Ghent.

It was understood in Europe that in case the treaty of Ghent was not satisfactory to both parties and the boundaries could not be agreed upon, that Austria was to be the umpire to decide upon any differences between the two nations.

The "balance of power" was in Europe, but the European possessions in America were of enough weight to turn the scale for peace or war in Europe at that time, and they might still have that effect if they were allowed to be subject to European acquisitions in America.

Thus it appears that it was the treaty of Ghent and the congress of Vienna that firmly planted the roots from which grew the "Monroe doctrine," as to the limitation of the possessions of European powers upon the North American continent. The Louisiana purchase had rendered such a stand by the United States a possibility, and the treaty of Ghent assured its extension to the southern continent of America.

## LEGAL STATUS OF WOMEN IN THE UNITED STATES

EDITH M. HADLEY, LL.B.

As we glance rapidly backward through the centuries, at the subordinate position woman has held from the early Jewish times through the Roman and feudal periods, and down almost to the present day, we see, from the marked difference of attitude toward her now, that there has been sufficient cause for the numerous discussions and criticisms concerning what inaccurate mankind is pleased to call the "new woman." Certainly a misapplication of the term, and also of the thought, for it is not the woman who is new, but her recognition as a unit and factor in the social, political, and economic world, or, in simpler phrase, her status. The position which this recognition confers has not been suddenly grasped, or thrust upon her. It has been of gradual growth, evolving with the progress of civilization, and as new requirements have arisen, woman, formerly the chattel slave and servant of brute man, has stepped forward with human man, assisting and supplementing. The woman, who could formerly see no further than the four walls of her house, can now look fearlessly "beyond the skyline, where the strange roads go down."

In no land can one better study woman's progress than in the United States—where she stands out in a newer country as a freer and more individual type. When our forefathers came over from England, they brought with them, not only their creeds and traditions, but the common law of their land, which took root in this country and spread from state to state. It is now the law of our land, except where changed by statutes as different needs, in a different country, arose with accumulating years. Woman's comparatively recent legal rights have been acquired by such statutes, enacted throughout the states, similar, with few exceptions, in all, and not at all dependent upon federal legislation.

From early childhood, the training of a boy is different

from that of a girl. Nature demands this. But public schools are provided all over the country, where boys and girls may acquire the same education. Women's colleges are becoming more and more successful, and some of the men's colleges have annexes for women, as Harvard and Columbia. Co-education is carried on with satisfactory results throughout the country, as at Swathmore, in Pennsylvania, Antioch and Oberlin, in Ohio, and Leland Stanford, Jr., University, in California. In the New York University Law School, men and women work side by side. To quote from a prominent lawyer and student upon this subject: "Women have made their way into most of the professions, more largely than in Europe. In many of the northern cities they practice as physicians, and seem to have found little or no prejudice to overcome. Medical schools have been provided for them in some universities. It was less easy to obtain admission to the bar, yet several have secured this, and the number seems to increase. They mostly devote themselves to the attorney's part of the work, rather than to court practice. One edits, or lately edited, the *Illinois Law Journal* with great acceptance. Several have entered the Christian ministry, though, I think, only in what may be called the minor sects, not in any of the five or six denominations whose spirit is more conservative. Some have attained success as professional lecturers, and not a few are journalists." The insanity law of 1898 of the state of New York obliges the superintendent of each insane hospital to appoint, among other resident officers, a woman physician; and during the month of October, 1902, a notice was observed in a New York newspaper of marriage having been performed by a woman in one of the western states. This, however, is unusual enough to create comment.

The tardy, but gradual and increasing, recognition of the legal status of woman has evoked much legislation in regard to the domestic relations, the result of which has been to practically abolish the theory of entity of man and wife, so long a popular fiction in legal terminology and practice. The philosopher Hume states that "Between married persons the cement of friendship is, by the laws, supposed so strong as to



abolish all division of possessions, and has often in reality the force assigned to it." In his criticism of this statement, Huxley speaks in the more modern spirit when he says: "Family affection in the eighteenth century may have been stronger than in the nineteenth; but Hume's bachelor inexperience can surely alone explain his strange account of the suppositions of the marriage law of that day and their effects. The law certainly abolished all division of possessions, but it did so by making the husband sole proprietor."

Under the old Roman law there were three modes of marriages: *confarreatio*, a sacramental rite, only permitted to patricians, where the ceremony consisted of the two parties eating a wafer together; *coemptio*, where a man purchased a wife in market; and *usus*, in which case he possessed her, and time formed the bond—legally stated as "possession under the statute of limitations." The modern Roman Catholic church regards marriage as a sacrament, but apart from this, in New York, it is considered a civil contract, which, until recently, might have been entered into without minister, magistrate, witness or ceremony, consent alone having been necessary.\* The necessary age of consent of such contracting parties has been raised by the New York statutes, in the case of males to eighteen, and of females to sixteen. A contract in restraint of marriage is void.

From the year 1848 to the year 1896 a series of laws were enacted enlarging the legal independence of woman in regard to her property and otherwise. By the first act she became sole owner of real and personal property owned by her at marriage, or which should devolve upon her during coverture. The next year she acquired the right to devise and convey, as if unmarried, and in 1876 husband and wife were allowed to appear as

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\*But so many abuses arose in New York, where this kind of marriage was recognized, that a new law, in effect January 1st, 1902, has been enacted, requiring that marriages without solemnization must be by contract in writing, signed by the bride and groom and two witnesses, and acknowledged and recorded like a deed of real estate, the recording to be within six months of the time of entering into the contract.

witnesses against each other in criminal actions, which, under the entity theory, would have been impossible. Later she was empowered to sue and be sued alone in regard to her separate property, and also to institute actions for damage to her person or character. It became possible for her to make contracts binding herself alone; to acknowledge separate and apart from her husband the execution of a deed or other instrument; and for a married woman to convey to her husband without intervention of a third party. She may now contract with her husband, as freely as if she were single—with two notable exceptions; husband and wife cannot contract to alter or dissolve marriage, or relieve the husband from his liability to support his wife. These gradual innovations became crystalized in the laws of 1896. In addition a clause was enacted, permitting a married woman, with her husband's consent, to insure his life; she being entitled to receive the insurance money free from all claims "except, that when the premium actually paid annually out of the husband's property exceeds five hundred dollars, that portion of the insurance money which is purchased by excess of premium above five hundred dollars is principally liable for husband's debts." This policy is so absolutely hers, that she has the power of devising or assigning it. In fact, in the State of New York, legally, a woman has more control over her property, than her husband has over his, for he is obliged to provide her with the "necessaries of life," and he can make no disposition of his real property that is not subject to her right of dower, unless she consents to waive such right. But while woman has complete control over the rents and issues emanating from her separate property, Judge Leaventrutt has decided, in the recent case of Klapper vs. Metropolitan Railroad Company, that a husband is entitled to his wife's earnings, unless otherwise arranged, and this upon the common law theory of service, and not of agency. Already there seems to have been a question as to the cogency of such decision. With this growing tendency to individualize, the husband has been absolved from some former legal responsibilities. He is no longer obliged to join with his wife for her tortious, or wrongful acts, unless, of course, he was the instigator, when

such fact must be proved, and not presumed, and a man who obtains property from his wife by antenuptial agreement or otherwise, is liable for her debts contracted before marriage, but only to the extent of the property so acquired. If a husband is a partner in a business concern, and dies, the widow's dower does not immediately attach to the partnership property; so far as creditors of the firm are concerned, this is regarded as personalty; but as soon as the debts are paid, her dower attaches to her husband's interest in the partnership property. A married woman is capable of making her own will, though the fact of marriage revokes the will of an unmarried woman, and for this purpose, a widow is an unmarried woman. A married woman may also act in the capacity of executor or administrator, but must obtain consent from her husband before assuming this responsibility.

Under the old common laws of England the property of an intestate devolved upon his son, even though the son were younger than the daughter. At present male and female share alike. The widow of a deceased intestate is entitled to one-third of the personal property remaining after payment of the decedent's debts, and to dower, that is to say, a one-third life interest in the real property owned by her husband at the time of marriage, or acquired at any subsequent period, unless she has agreed to accept an alternative provision, or has barred her right of dower by some act inconsistent therewith. Curtesy, the husband's corresponding common law right to one-third of the wife's property, real and personal, upon her death, will no longer obtain, unless she dies intestate, as she may now dispose of her property by will or otherwise. A list of articles to which a widow is entitled, upon the death of her husband, and during the time she lives with, and provides for a minor child is enumerated in the New York statutes. Among these articles are included spinning wheels, weaving looms, one sewing machine, stoves, family bibles, pictures, school books, beds, cooking utensils, ornaments, and other household and personal items, which must be omitted from the inventory of the deceased.

Another development from the old common law may be



traced to the "Statute of Laborers." The origin of this specific statute is no less interesting, than the influences upon it, of time and transportation. It was enacted in the fourteenth century, during the reign of Edward III., and at the time of great suffering from the pestilence in England. The old law reads and was founded upon the "grievous incommunities which of lack of plowmen and laborers may hereafter come," and it enabled a man to sue for injuries sustained by his servant.

In England the dissolubility of marriage was formed upon and difficult to obtain before the time of, and even after the English Reformers. It was always the husband, in those days, who obtained the divorce, and no wife secured one, before the year 1801. As the law now stands in England, a husband may obtain divorce for his wife's infidelity, but a wife may not obtain divorce for a husband's infidelity unless aggravated by cruelty, or two years' desertion. Scotland allows a wife to obtain divorce for her husband's infidelity alone, or a four years' desertion, and Ireland has no divorce court and marriage can only be dissolved by act of Parliament. In Germany, Switzerland, Holland, Denmark, Sweden and Norway a marriage may be dissolved, not only for infidelity of either party, but for desertion and imprisonment for crime. The laws of France and Belgium are similar but go a step farther, the former authorizing a judicial separation which has lasted for three years to be changed into an absolute divorce, and the latter allowing mutual consent as a ground, though restricting it in many ways. Austria and Hungary allow divorce to non-Catholic citizens, while Italy, Spain and Portugal recognize only a judicial separation, and not an absolute divorce. In the United States divorce regulations depend upon state legislation and vary with chaotic inconsistency throughout the union. There seems no way to remedy these deplorable conditions, unless the widely diverse opinions prevalent in the different states should coalesce, or, the subject be referred to federal legislation, the states surrendering their prerogative. In many of the United States divorce may be granted for the most trivial causes; neglect of duties and violent temper are among those enumerated. To quote from a list published by Mr.

Bryce, in his latest work, "Studies in History and Jurisprudence," 1901, and selected from the American Official Report: 1. "A wife alleges that her husband has accused her sister of stealing, thereby sorely wounding her feelings." 2. "During our whole married life, my husband has never offered to take me out driving. This has been a source of great mental suffering and injury. Another says that her husband quotes verses from the new testament about wives obeying their husbands. "He has even threatened to mash the plaintiff, and has drawn back his hand to do it." The decree granting this wife a divorce used these words: "I find that when plaintiff was sick and unable to work, defendant told her the Lord commanded her to work, and that he was in the habit of frequently quoting Scriptural passages in order to show her she was to be obedient to her husband." The law of the Washington courts reads "for any cause deemed by it sufficient, and when it shall be satisfied that the parties can no longer live together." The New York construction is stricter. There are three "matrimonial actions" in this state. An action to procure a decree of nullity, where the court assumes that the marriage was unlawful from the beginning; limited divorce, or separation from bed and board; and absolute divorce. Imprisonment for life dissolves marriage, and from an unexplained absence of five years, the legal presumption of death arises—2 Rev. Stat., chap. 8, Title 1. Absolute divorce here is only granted upon "statutory grounds," namely, infidelity. Both the husband and wife have equal rights in bringing this action, but it must be brought within five years after discovery of the cause. The co-respondent is not a party to the action, and has no power to defend himself, this again differing from the English practice. Children are usually awarded to the innocent party, and under the New York code the innocent party may marry again during the lifetime of the defendant, "but a defendant adjudged to be guilty of adultery shall not marry again until the death of the plaintiff." This law is practically evaded. Each state respecting the laws of its sister states, a marriage, valid where performed, is recognized everywhere; as a necessary corollary, the children of such marriage are legitimate. Alimony is given

the wife during the action, or permanently as an income, if she succeeds, and sometimes this is secured by a mortgage upon the husband's lands; moreover, in such a case, her dower is not affected, and the husband must also pay for the wife's lawyer. But if the husband brings the action and wins, the wife loses both dower and her share in the husband's personal property. Though a jury is not essential to the trial of an action for divorce, either party may demand it at will.

A consideration of woman in regard to her private rights and obligations is comparatively tangible and exact, but new laws are being constantly enacted in East and West, enlarging, and again sometimes diminishing her public rights and duties. The question often arises "How far differences of sex ought to imply and prescribe a distinction of civic rights and functions between men and women." The almost hackneyed theme of women being property owners, without any voice in the election of those who regulate taxation upon such property, still requires a satisfactory solution. The following notice was observed in the October press:

"Springfield, Mass., Monday.—For the first time in the history of Massachusetts the name of a woman will appear on the official ballot as a candidate for the house of representatives, at the state election, November 4.

"She is Mrs. Fannie J. Clary, of Williamsburg, who was nominated by the prohibitionists to represent the First Hampshire district.

"Ever since Mrs. Clary was nominated about two weeks ago, there has been some doubt about her eligibility. The question was referred to Secretary of State Olin, who announced yesterday that he had decided to allow Mrs. Clary's name on the ticket."

This is suggestive of the broader constitutional policy of Australia. In Wyoming and Washington women have served as jurors, which privilege has since been considered illegal and prevented. Most of the states, including New York, always more conservative, have given women a school suffrage; that is, they are allowed to vote for and fill the position of school officers, serve as trustees, and members of



the board of education. In Arkansas and Missouri they may vote to grant licenses for the sale of liquor. In Kansas and Michigan they have been allowed suffrage in municipal elections, though in the latter state this was subsequently decided to be unconstitutional. In Wyoming, Colorado, Idaho and Utah they may take part in the federal elections, so that, as a legal consequence, there would be nothing to prevent a woman from becoming a senator from these states. As a rule, popular sentiment would preclude woman from holding such positions of enlarged responsibility. In general she seems to accept this condition of affairs with apparent willingness, but this may be due to a natural reluctance on her part to demand a position imposing notoriety, or to assume the obligations necessarily entailed upon all workers in public fields. The unpleasing prospect of woman, in an official sphere, borders too closely upon a psychological problem for the purport of this article. A shadow-land will always lie between the mentality of the average man and the average woman, based on distinctions as strong as the difference between their physical natures; and this difference in mentality will always tend to slightly diverge their specific occupations. A contemplation of such a chimerical evolution as Bulwer has fancifully drawn in his "Coming Race," would be highly visionary, but that a wider education, a more practical application of knowledge, with the acquisition of the legal rights and obligations of woman which we have surveyed, have certainly been of no small account in the advance of civilization.

## HOW CABLES ARE LAID, WORKED AND MENDED

J. W. DAVIS

The recent completion of the last section of the longest cable in the world by the British Imperial Pacific Cable Co., which has just been connected with the Fiji Islands, and the still more recent instalment of the commercial Pacific cable from San Francisco to Honolulu en route to the Philippines, thence to the remotest confines of the Orient, have very naturally awakened a lively interest of late in the system of submarine telegraphy.

The cable is only one of the many modern scientific inventions which the public is wont to readily and daily utilize without acquiring any general knowledge, even as to its construction and *modus operandi*; yet such information, though somewhat of a technical character, is edifying, useful and exceedingly interesting.

When one knows that cable messages can be transmitted from New York to London, or from New York to the far Orient, within the almost incredible time of five minutes, it not unnaturally arouses a curiosity to learn how the instrument of such wonderfully rapid transmission of words is created, worked and maintained.

A submarine cable consists of four distinct parts, namely, the copper wire, the insulating covering of the copper, the hemp, or jute, serving and the sheathing. The essential portion of the cable is the small thread of copper through which the electric current passes, and by which the actual signaling is done. This wire or conductor is usually made up of a number of strands of small wires twisted spirally together to form one large conductor. The use of a number of wires twisted together makes the completed conductor more pliable and easy to work than a single wire could be and is less liable to accident.

The copper wire needs both covered protection and the means of preventing the current leaking out; and as gutta percha is the best non-conductor of electricity available for the purpose, the conductor is drawn through a die, together with

heated gutta percha, which is thus laid on in a uniform covering.

The copper wire, thus protected by gutta percha, forms what is known as the "core" of the cable, and really comprises all that would be needed for transmitting cablegrams, but it is necessary to provide a still greater safeguard against submarine accidents, by the additional use of hemp or jute serving. Besides, the cable must be heavy enough to sink when cast from the ship; it must be sufficiently strong to sustain its weight when suspended from the ship into the water when being laid, and to sustain the weight which comes upon that part of a cable which hangs downward towards a submerged valley; it must, moreover, be strong enough, after lying buried for years, to be picked up for repairs when required. For these reasons, therefore, the hemp or jute is covered by a process of steel sheathing wires. This is done by passing the core, with jute or hemp coating through the sheathing machine, which puts on the wires spirally. This completes the cable, unless, as is sometimes the case, canvas or strong tape is put over the sheathing wire, as a final and better protection covering.

When the cable is completed it is coiled into tanks and buried in water, which not only enables any incipient faults in the insulator to be detected more easily, but also forms the best medium for preserving the essential qualities of the gutta percha. The cable is also subjected to other severe tests, both electrical and mechanical. In fact, a continuous process of testing is applied from its completion until ready for casting into the ocean.

The cable-laying ships are, of course, specially constructed for the work. Usually they have three cable tanks, all 30 feet deep, the fore tank being 37 feet in diameter, the others 45 feet in diameter, respectively, having a total capacity of 2,000 miles of cable. A rough idea of the size of these tanks may be obtained by stating that a moderate sized house could be contained in one of them with room to spare. The monster vessel employed by British Imperial Pacific Cable Company to lay the cable to the Fiji Islands, above referred to,



had capacity for carrying 4,000 miles of cable! This ship is 500 feet long, with a beam of 56 feet, and designed to carry close upon 10,000 tons dead weight.

When the total amount of cable is nearing completion, the ship which is to convey it to its destination is moored off the works. It is imperative that submarine cable works should be on the banks of a river or close to docks where a cable can lie, for it would be a costly, if not an impossible, undertaking to transport cable by land in sections of sufficient length for submarine purposes. Temporary engines fitted up on deck haul the cable out of the factory on to the ships, where it is coiled down by hand into water-tight tanks. One man receives and carries it within reach of his companions who are stationed around the tank. They take it from him and lay it carefully and uniformly, one turn against another. The man in the center is frequently relieved, for the work is hard, especially in the case of the larger shore-end types, which sometimes weigh as much as 20 tons per nautical mile. Such great care is necessary in coiling because, sometimes, when being laid, the cable runs out of the tank at a very rapid rate, reaching a speed of 10 knots or more an hour.

When all the cable is on board, final tests are taken, then the ship sails for the station where the joint end is to land. The cable ships may start out with only a part of the cable, and return from time to time for the remainder, the various connections being made by a splicing process. But the usual way is for a ship to take the entire length of cable on board, and lay it from start to finish continuously.

Before a cable can be laid careful soundings over the proposed route have to be taken. This is generally done by a smaller ship, before the arrival of the one with the cable on board. It is very important to know the contour of the ocean bed on which the cable has to lie. If no survey has been made, sufficient slack (i. e., loose cable) is not paid out on nearing a submarine hill; the cable will therefore hang in a festoon from the top of it, and eventually break with its own weight. Hemp lines were formerly employed for lowering the sounder, but as these were found to be clumsy and unreliable

in great depths, a pianoforte steel wire system, invented by Lord Kelvin, has been adopted, which is 25 times less diameter than hemp, while its breaking strain, bulk to bulk, is 18 times as great. A sounder lowered with wire to a depth of 2,000 fathoms, or two and one-quarter statute miles can be recovered in 22 minutes, a hemp line occupying two and one-half hours under similar conditions. The sounder consists of a central tube, fitted with valves at top and bottom, and three smaller tubes fixed beneath the central one. As the sounder descends, the valves of the central tubes open upwards, and the water rushes through. On reaching the bottom, both valves close, and a sample of the bottom water is brought up. The three smaller tubes sink into the ooze, and bring specimens of it to the surface for chemical analysis. In order to increase the speed with which the sounder sinks, shot weighing from 30 pounds to 60 pounds are slipped over it, becoming automatically detached on reaching the bottom.

In soundings for cable purposes, the temperature of the bottom water is required, for temperatures play an important part in submarine telegraphy. A low temperature increases at the same time the conductivity of the copper wire and the insulation of the gutta percha covering, and is therefore the most suitable for cables. Faults are usually located by the electrical resistance of the conductor. It is known that the particular conductor in question gives, when in normal condition, a certain resistance per nautical mile at a given temperature. If a cable is broken so as to expose the conductor, one has only to divide the resistance obtained from the tests by the resistance per nautical mile in order to arrive at the approximate distance of the fault from the testing station. A knowledge of the bottom temperature is therefore indispensable for accurate results, and in taking soundings a thermometer is always attached to the wire a short distance above the sounder.

The temperature of the sea bottom between San Francisco and Honolulu averages 35° F. The light rays of the sun penetrate only a short distance beneath the surface of the sea, and as far as extraneous illumination is concerned, the ocean abysses remain in absolute darkness.

Some deep sea fish, however, have, strange to say, two parallel rows of small circular phosphorescent organs running down the whole length of their bodies, so that they resemble ships at night, with double rows of shining portholes. It is thought possible by certain naturalists that portions of the sea bottom may be as brilliantly illuminated by this kind of light as the streets of a large city after sunset.

On reaching the place selected for the landing of the cable, the ship approaches as close to the shore as possible, and, letting go anchor, prepare to land the shore end. In some companies this is done by means of rafts; in others, a couple of spider sheaves, or large V-shaped wheels in light iron frames are sent ashore and fixed by sand anchors some 60 yards apart. Hauling lines are paid out from the ship, reeved through the sheaves, and brought back on board again. One end of this continuous line is attached to the cable, and the other to the picking-up gear. The engines are then set in motion, and the cable is dragged slowly out of the ship toward the shore. As it goes, large india rubber buoys, inflated with air, are lashed to it every 50 or 60 feet, to keep it afloat and to prevent the damage which would result from it being dragged along the bottom.

When sufficient cable has been landed, the piece on shore is laid in a trench which runs from low water mark to the cable hut, and the end inserted through a hole in the floor.

Testing and speaking instruments are set up in the hut, which is occupied day and night during the laying by the electrician in charge and his assistants. When satisfactory test has been taken the ship gets slowly under way.

The scene on the deck of a cable ship during the beginning of paying out is full of interest to one who has not witnessed it before. The cable, being fast on shore, drags itself out as the ship moves forward. At first it rises slowly from the tank, passing along a series of guiding troughs to the paying-out machine, round the drum of which it runs three times. Between this drum and the sheave at the stern by which the cable leaves the ship stands the dynamometer. This machine shows the strain to which the cable is subjected, and



is an important factor in cable-laying. As the water deepens, the weight of cable in suspension tends to make it run out more quickly. This tendency is contracted by increasing the weights on the brake arm of the paying-out machine. If the water shoals suddenly, the weight of the cable cutboard is considerably reduced, the strain lessens, and the brakes have to be eased, in order to allow it to run out at the same speed as before. The amount of cable in suspension varies according to the depth and rate of paying out. In 2,900 fathoms, with the ship steaming at eight knots per hour, no less than 25 miles of cable are in suspension under the water. Two and one-half hours are occupied in this case by any particular point in the cable from the time of leaving the ship to touching the bottom.

One of the most interesting spots on board a cable ship during laying is the testing room. Here, in front of a table, glistening softly with the polished ebonite and bright brass terminals of various testing instruments, sits an electrician, watching a round disc of light, as it sways to and fro on a graduated scale. This disc is a reflection from the mirror of the galvanometer, and the swaying movement is caused by the induced currents set up in the coiled cable by the rolling of the ship. At the end of every fifth minute the spot gives a vigorous leap upward on the scale, and the electrician duly notes its magnitude. The leap is caused by a signal from the shore, and proves that the continuity of the conductor is still preserved. As the cable leaves the heated ship and sinks into the almost freezing temperature of the ocean bed, the insulation improves, and the spot of light gradually works down toward zero. When, on the other hand, the deflection grows larger, and the spot shows an inclination to steal off the upper end of the scale, something is wrong, and a careful test must be taken. Should this prove that a defect exists, the ship is stopped, the cable cut, and if the fault is near, picking up commences. If the defect is some distance away, the cable is buoyed and the ship steams to the locality of the faulty portion.

Supposing, however, all goes well, the whole section is paid out and buoyed, and the ship steams to the second landing

place. Here the shore end is landed in the same manner as before, and the cable is paid out up to the buoy.

When the end of the first section has been hauled on board, the splicing operation begins. This consists of:

First—A joint between the two inner cores, and

Second—A splice between the two outer sheathings.

A skilled jointer, with his assistant, cleans and brazes together the ends of the two conductors. Then, drawing down over this braise the gutta percha covering from either side, he applies two or three more coats of the same material. No air-holes must be left between these different coverings, as the enormous pressure at the sea bottom might burst them and render the cable faulty. The splice in the sheathing wire is performed by cable hands, and is a much less delicate piece of workmanship.

Under the most favorable conditions, cable-laying is anxious work for those in charge of the operation. At any time during the paying-out, which may last, with a long section, some ten or fourteen days, a storm may arise or some mishap may occur on board, which results in losing the cable in a depth of over 2,000 fathoms. In such a case, the date of its recovery cannot be predicted. It may be in three or four days; it may be in as many weeks or months. Every precaution is therefore taken against such accidents. Buoys are slung in the rigging ready for slipping into the water, buoy ropes and grappling ropes are coiled where they can be paid out at a moment's notice, and bell pushes, in connection with a bell in the engine room, are placed in convenient positions at the top of each tank.

Should the cable break out-board and be lost in spite of these precautions, a mark buoy is immediately lowered to guide the ship in grappling operations. Dragging is then begun at right angles to the line in which the cable lies. Should the dynamometer, under which the grappling rope runs, show a steady rise in the strain, the cable is evidently hooked, and then heaving up commences. As soon as the grapnel reaches the bows with the bight of the cable on one of its prongs, the two sides are firmly secured by lines from the ship, and the bight is

cut. After the two ends have been tested from the testing room, the short length is abandoned or buoyed, and the other is spliced to the cable in the tanks, when paying-out is once more resumed.

In the course of these complicated operations, means are provided for sending operatic messages, and while the ship is in mid-ocean reports of the progress from day to day and of any occurrence of importance on board are sent ashore. In return, the men who are at the shore end send to those at sea news of what is going on in the world, and messages relating to the work. The expedition of cable-laying is such that when a proper start has been made the work goes on uninterruptedly—usually without any serious difficulty, and the cable is laid at the rate of approximately 200 miles in 24 hours.

The mirror system has almost been supplanted by the modern siphon recorder, and this is now in general use on all long cables of today.

This is an instrument which has, delicately suspended between the poles of a powerful magnet, a coil of very fine wire, to the upper end of which are attached very fine silk threads, extending to a small piece of metal, on which is hung a very delicate glass siphon. The upper end of the siphon dips in an ink-well, and the lower end almost, but not quite, touches a strip of paper which is drawn along beneath it. The ink flows through the siphon, which is kept constantly vibrating in a plane at right angles to the paper. When no signals are being sent, the ink line is along the center of the strip, and the sending of signals causes the suspended coil to move, and this in turn, pulling on the silk threads, causes the glass siphon which is making the ink mark to move. In this way a wavy line is traced on the paper, and it is this line which the operator deciphers in reading the cabled message. It requires long and careful training to read these messages, and there are few telegraph operators who can decipher this "cable slip" from a long cable accurately, particularly when it is considered that very nearly all cable messages, except press ones, are sent in code, which requires every letter of a word to be unmistakably read and recorded.



Of course, when submarine cables break, the results are far more serious than in the case of land wires. "France has declared—" once came flashing from London to Sydney, followed by silence. Cable communication was interrupted; strained relations were known to exist at the time between England and her neighbor across the channel, and the colonies jumped to the conclusion that the "missing word" in the mutilated message was "war." Of course, the real interpretation, when the damage to the cable was repaired and the completed dispatch came to hand, proved to be of far less sinister significance.

It is the possibility of some such misunderstanding as this that makes the companies so anxious to repair their cables promptly when damaged. Telegraph repairing ships for this purpose are kept stationed in all parts of the globe, and on a break being reported, are ready to start for the scene of the accident at a moment's notice.

Arrived there, the vessel steams slowly backward and forward across the line of route, having her grapnel out, until the cable is hooked. It is then hauled up, examined, repaired, and thoroughly tested by the chief telegraphist on board, who sends messages to both shore ends. Afterwards, it is carefully lowered again to the bed of the ocean. This is when the cable is not actually broken. Where it is, the two severed ends are hauled up, buoyed and spliced. Finally, if the depth be very great, and the cable intact, although damaged, a grapnel has to be used, which grips and cuts the cable at the same time, so that only half the weight of it has to be raised. By adopting this method of procedure, the cables can be, and not infrequently are, raised from a depth of two thousand fathoms, or over two miles.

## THE WEALTH OF THE WORLD

EUGENE PARSONS

The total wealth of the world, while not exactly known, has been estimated at \$400,000,000,000. This is probably an underestimate of the actual amount of money and property in civilized and semi-civilized lands. Of this total, the greater part is owned by Americans and Europeans. The United States has somewhere near \$100,000,000,000, or about one-fourth of the whole.

Some years ago, the eminent statistician, Mr. Michael G. Mulhall, published a book on the "Industries and Wealth of Nations," in which he made an elaborate study of the earnings and the wealth of the leading nations of Christendom. He limited the field of his inquiry to twenty countries, for the most part in Europe. Other countries included are the United States, Canada, Australia, Argentina, and Uruguay. In the fourth edition of his "Dictionary of Statistics" (1899), he republished in condensed form his estimates of the wealth of these nations in 1895. The total for Europe, including the United Kingdom, was £51,340,000,000, or about \$250,000,000,000, and for Europe, the United States, Canada, Australia, Argentina, and Uruguay was above £70,000,000,000, or \$350,000,000,000 in round numbers. He gave no estimates of the wealth of Turkey, nor of the countries of Asia and Africa, and only a few republics of Spanish America, but their wealth must exceed \$50,000,000,000.

The United Kingdom is the richest country of Europe, its wealth being estimated at £11,806,000,000, or £302 per capita. Mulhall distributed it as follows: Farms, £2,077,000,000; railways, £985,000,000; houses, £2,492,000,000; merchandise, £805,000,000; sundries, £5,447,000,000. Of the total, England's share was £10,062,000,000; Scotland's, £1,094,000,000; Ireland's, £650,000,000. In American money (at \$4.80 pound sterling), Great Britain's wealth in 1895 was \$56,668,800,000. A recent estimate makes it \$59,000,000,000, or \$1,442 per capita (in 1901).

The annual income of England's population is said to be \$5,600,000,000, while the yearly savings are \$1,948,000,000. The yearly earnings per capita in Great Britain amount to \$140, of which one-third is saved, making the increase of wealth \$19,000,000,000 during the ten years, 1891-1900. It should be remembered that a large amount of British capital is also invested in the colonies of the empire and in foreign lands.

France is the next richest nation of Europe. Mulhall estimated its wealth in 1895 at £9,690,000,000, or £252 per capita. He distributed the items as follows: Farms, £3,093,000,000; railways, £663,000,000; houses, £2,159,000,000; merchandise, £601,000,000; sundries, £3,174,000,000. Reckoned in our money, the total is \$46,512,000,000. A recent estimate of France's wealth makes it \$48,000,000,000, or \$1,257 per capita (1901). In addition, there is an enormous amount of French capital invested abroad in government loans, mines, industries, etc. Of the total, 30,000,000,000 francs, more than two-thirds (21,012,000,000 francs) went to other European countries: Russia, 6,966,000,000 francs; Spain, 2,974,000,000 francs; Austria-Hungary, 2,850,000,000 francs; Turkey, 1,818,000,000 francs; Italy, 1,430,090,000 francs; England, 1,000,000,000 francs; Portugal, 900,000,000 francs; Belgium, 600,000,000 francs. In Africa, the total is 3,693,000,000 francs, chiefly invested in British Africa (1,592,000,000 francs), and Egypt (1,436,000,000 francs). Of the total invested in South America, 2,624,000,000 francs, more than one-half went to Argentina (923,000,000 francs) and Brazil (696,000,000 francs). Other big borrowers are Colombia (246,000,000 francs), Chile (226,000,000 francs), and Venezuela (130,000,000 francs). Of the total loaned to North America, 1,348,000,000 francs, the United States took 600,000,000 francs; Mexico, 300,000,000 francs; Canada, 138,000,000 francs, and Cuba, 126,000,000 francs. The total loaned in Asia is 1,112,000,000 francs, of which China took 651,000,000 francs, and Asiatic Turkey 345,000,000 francs.

According to Mulhall, Germany's wealth in 1895 was £8,052,000,000, or £156 per capita. Prussia's share was more than half (£4,940,000,000); Bavaria's, £949,000,000; Saxony's,



£456,000,000; Württemberg's, £370,000,000; while the smaller German states had £1,337,000,000. Germany's wealth was distributed as follows: Farms, £2,508,000,000; railways, £555,000,000; houses, £1,755,000,000; merchandise, £677,000,000; sundries, £2,557,000,000. According to a more recent estimate, Germany's wealth is \$40,000,000,000, or \$709 per capita (1901). German money loaned or invested abroad amounts to \$8,000,000,000 or more. Of this total, it is said that \$2,000,000,000 have gone to the United States and Mexico, and \$2,000,000,000 more to Central and South America. Some \$250,000,000 are invested in Turkey, while \$1,000,000,000 are distributed in various parts of Africa, Australia, and the Far East.

Russia's wealth in 1895, as Mulhall estimated it, amounted to £6,425,000,000, or £61 per capita. It was distributed as follows: Farms, £2,710,000,000; railways, £349,000,000; houses, £1,019,000,000; merchandise, £515,000,000; sundries, £1,832,000,000. A recent estimate places Russia's wealth at \$32,000,000,000, or about \$296 per capita (estimating the population in 1901 at 108,000,000).

The other ten countries of Europe are named in the order of their financial importance: Austria-Hungary, whose wealth was estimated by Mulhall in 1895 at £4,512,000,000 (\$21,649,600,000); Italy, £3,160,000,000 (\$15,168,000,000); Spain, £2,380,000,000 (\$11,424,000,000); Scandinavia, £1,296,000,000 (\$6,220,800,000); the Danubian states, £1,026,000,000 (\$4,924,800,000); Belgium, £988,000,000 (\$4,742,400,000); Holland, £880,000,000 (\$4,224,000,000); Switzerland, £492,000,000 (\$2,361,600,000); Portugal, £411,000,000 (\$1,978,800,000); Greece, £222,000,000 (\$1,065,600,000).

The amount of wealth per capita in these countries (as estimated by Mulhall) in 1895 was: Austria-Hungary, £104 (499); Italy, £101 (485); Spain £135 (548); Norway and Sweden, £114 (\$547); Danubian States, £90 (\$432); Belgium, £154 (\$739); Holland, £183 (\$878); Switzerland, £164 (\$787); Portugal, £87 (\$417); Greece, £101 (\$485); Denmark, £230 (\$1,104).

From Mulhall's figures it appears that the English are the best off financially of any people in the world, with the Scotch

next. The four other countries that have most wealth per capita are Australia, France, the United States, and Denmark. In 1895 the wealth per capita in the following countries was: England, £330 (\$1,584); Scotland, £262 (\$1,257); Australia, £256 (\$1,228); France, £252 (\$1,210); United States, £234 (\$1,123); Denmark, £230 (\$1,104).

There were six other countries whose wealth per capita exceeded £150: Canada, £196 (\$940); Holland, £183 (\$878); Switzerland, £164 (\$787); Germany, £156 (\$748); Belgium, £154 (\$739); Argentina, £154 (\$739).

Among the great nations the percentage of debt to wealth is lowest in the United States, being less than one per cent., while that of France is the highest, over 12 per cent. The British national debt in 1902 was \$3,688,528,252, or four times that of the United States, \$915,370,000 (Oct. 31, 1902); the British debt per capita was nearly \$89, according to the census of 1901 (41,454,621). The debt of France on January 1, 1901, was approximately 30,096,632,622 francs (\$5,718,360,198, at 19 cents a franc), or about \$148 per capita. In 1900 the German public debt was £644,508,000, about \$3,093,638,400 (reckoning \$4.80 to the pound sterling), or nearly \$55 per capita. According to O. P. Austin, of the United States bureau of statistics, Germany's national debt was \$2,573,584,622 (\$557,626,622) for the empire and \$2,015,958,000 for the states. According to *Hazell's Annual* (1902), Russia's total debt in 1901 was £728,457,000 (\$3,496,593,600), or \$32 per capita.

Following is a list of the national debts of the other European countries, Turkey excepted, the figures being from the latest available data: Austria-Hungary (1901), 5,434,428,306 crowns (\$1,086,885,661, reckoning the crown at 20 cents); Austria (1901), 3,621,157,782 crowns (\$724,231,556); Hungary (1900), 5,186,323,000 crowns (\$1,037,264,600); Belgium (1901), 2,650,898,150 francs (\$503,670,648); Bulgaria (1899), 260,000,000 leva (\$49,400,000 at 19 cents a lev); Denmark (1901), 217,294,224 kroner (\$58,669,440 at 27 cents a crown); Greece (1900), 868,978,980 drachmai (\$165,106,006 at 19 cents a drachma); Holland (1901), 1,143,735,450

guilders (\$457,494,180 at 40 cents a guilder); Italy (1900), 12,645,289,334 lire (\$2,402,604,973 at 19 cents a lira); Norway (1900), 231,064,994 kroner (\$62,388,548 at 27 cents a crown); Portugal (1901), \$801,481,708; Rumania (1901), 1,432,015,515 lei (\$272,082,947); Servia (Dec. 31, 1900), 422,402,684 dinars (\$80,256,510 at 19 cents a dinar); Spain (July 1, 1901), 9,651,503,304 pesetas (\$1,833,785,628 at 19 cents a peseta); Sweden (Jan. 1, 1901), 337,898,733 kroner (\$91,232,658).

In compiling the following table, the writer used figures in the *Statesman's Year Book* (1902), the percentage of public debt per capita being computed in U. S. money. Results are only approximate:

Countries.	Population.	Debt per capita.
Austria-Hungary (1901).....	45,242,889	\$ 24
Austria (1901).....	26,150,597	27
Hungary (1900).....	19,092,292	54
Belgium (1901).....	6,693,810	75
Bulgaria (1899).....	3,733,189	13
Denmark (1901).....	2,464,770	24
Greece (1900).....	2,434,000	68
Holland (1901).....	5,179,000	88
Italy (1900).....	32,449,754	83
Norway (1900).....	2,239,880	28
Portugal (1901).....	5,428,659	166
Rumania (1901).....	5,912,520	46
Servia (1900).....	2,493,770	32
Spain (1901).....	18,226,040	100
Sweden (1901).....	5,175,228	17

No one knows what is the wealth of the Ottoman empire, and statisticians differ as to the amount of the Turkish debt. In 1898 Mulhall estimated it as £162,000,000 (\$777,600,000). In 1899 it was \$726,511,195, according to O. P. Austin. As given in the *Statesman's Year-Book* (1902), the total loans of Turkey in the middle of 1901 amounted to £T.133,939,003 (\$589,331,613, reckoning the Turkish pound at \$4.40). Among other debts are the balance of the Russian war indemnity (£T.24,513,000 in 1898), also indemnity to Russian subjects (£T.50,000), and money due to the Damascus railway



(£T.273,494), which foot up to \$108,050,573, making the total indebtedness about \$697,382,186, or \$28 per capita. The states only nominally subject—Bulgaria, Bosnia, Herzegovina, Crete, Samos, and Egypt—are not included.

Mulhall's estimate of the wealth of the United States in 1895 was £16,350,000,000 (\$78,480,000,000), or £234 (\$1,123) per capita. It was distributed as follows: Farms, £4,142,000,000 (\$19,881,600,000); railways, £2,260,000,000 (\$10,848,000,000); houses, £4,446,000,000 (\$21,340,800,000); merchandise, £1,563,000,000 (\$7,302,400,000); sundries, £3,939,000,000 (\$18,907,200,000). A monograph on "The Progress of the Material United States in Its Industries," issued by the treasury bureau of statistics in 1902, estimated our money and property in 1900 as \$94,300,000,000, against \$65,037,091,197 in 1890, an increase of \$29,000,000,000 in ten years. In 1900 the value of farms and farm property was \$20,514,001,838; of manufactures, \$13,039,279,566. The percentage of wealth per capita in 1900 was \$1,235.86, against \$1,038.57 in 1890. On June 30, 1900, the public debt, less cash in the treasury, was \$1,107,711,258, or \$14.52 per capita, against \$890,784,371 in 1890, or \$14.22 per capita. On Oct. 31, 1902, the percentage of debt per capita was about \$12. Of all the important nations the United States has the smallest debt per capita.

The wealth of Canada in 1895, according to Mulhall, was £1,009,000,000 (\$4,843,200,000), or \$980 per capita. The public debt in 1900 was \$265,494,000, or \$50.59 per capita.

It would be hard to get trustworthy statistics relating to the wealth of Mexico. On June 30, 1902, the total Mexican debt was \$250,716,856, of which \$113,910,620 is payable in gold, and \$135,509,271 payable in silver.

The value of urban property in Nicaragua is said to be \$8,590,429; rural, \$33,972,690. In 1900 the debt of Nicaragua amounted to about \$4,000,000 in gold, or about \$950 per capita.

The debts of the other Central American republics, according to the United States bureau of statistics, were as follows: Costa Rica (1899), \$13,124,000 in our currency, or \$43.75 per capita; Guatemala (1899), \$20,826,507, or \$13.23 per capita; Honduras (1899), \$89,376,920, or \$219.60 per capita. The

foreign debt of Salvador in 1899 amounted to \$3,533,079, and the internal debt was above \$8,000,000, a total of some \$11,533,079, about \$11.45 per capita.

Mulhall estimated the wealth of Argentina, in 1895, at £616,000,000 (\$2,956,800,000), distributed as follows: Farms, £198,000,000 (\$950,400,000); railways, £88,000,000 (\$422,000,000); houses, £107,000,000 (\$513,600,000); merchandise, £53,000,000 (\$254,400,000); sundries, £170,000,000 (\$816,000,000). The percentage of wealth per capita he figured at £154 (\$720).

According to Mulhall, the wealth of Uruguay, in 1895, was £120,000,000 (\$576,000,000), or about £164 (\$787) per capita. The four chief items were: Farms, £42,300,000 (\$203,040,000); houses, £31,200,000 (\$149,760,000); railways, £11,000,000 (\$52,800,000); sundries, £35,500,000 (\$170,400,000). "Real estate altogether forms 45 per cent. of total wealth, as compared with 38 per cent. in Argentina." In 1899 the public debt was \$124,374,189, or \$148 per capita. On Dec. 31, 1901, the debt was £26,553,830. The indebtedness of Uruguay is nearly one-fifth of its national wealth.

Most of the South American republics have not seriously or systematically undertaken the task of gathering full statistics relating to their resources and products. In the absence of statistical information that is recent and accurate, no trustworthy estimates can be given of the wealth of Bolivia, Brazil, Colombia, Ecuador, Paraguay, Peru, and Venezuela.

South America has vast potential wealth, but lacks diversified industries. Various causes have contributed to keep manufactures in a backward condition. The mass of the people are illiterate and untrained. The educated few, the moneyed aristocrats, are above manual labor. The system of peonage prevails more or less, and there is a scarcity of skilled workers. Capitalists have often hesitated to embark in large enterprises because of the lack of railways, and also the frequent revolutions.

South Americans have the reputation of being spend-thrifts, and it is generally supposed that their governments are prone to run into debt. This is not always the case, for a

number of the Spanish-American republics try to live within their means. Bolivia, Ecuador, and Peru have only small indebtedness, and Colombia owed little before the revolution began in 1899. Argentina and Uruguay are most heavily burdened per capita. Brazil, Chile, and Paraguay have incurred large obligations. The ten republics, with a population of 40,000,000 or more, have an aggregate indebtedness of \$1,322,000,000, about \$34 per capita, while the average of European countries is \$61.

Argentina's debt in 1900 was \$509,604,444, or \$128.85 per capita. Ecuador's debt in 1897 was \$7,882,435, or \$6.21 per capita. Paraguay's debt in 1902 was \$15,844,000, or \$22.63 per capita. The following figures are from the summary of national debts prepared by the United States bureau of statistics for the year 1898: Bolivia, \$2,336,258, or \$1.16 per capita; Brazil, \$480,985,000, or \$33.56 per capita; Colombia, \$15,809,000, or \$3.95 per capita; Peru, \$20,321,784, or \$4.41 per capita; Venezuela, \$37,725,814, or \$14.51 per capita. In August, 1902, Venezuela's debt amounted to about \$57,000,000, of which the external debt was £7,195,044.

After England and Scotland, Australia is the richest country in the world in proportion to its population. Mulhall figured its wealth per capita in 1895 as £256 (\$1,229). He estimated the net wealth of Australia as £1,076,000,000, in comparison with £1,009,000,000 (\$4,843,200,000) for Canada. The principal items were: Land, £236,000,000; cattle, sheep, etc., £156,000,000; houses, £174,000,000; public works, etc., £510,000,000. He reckoned the total annual earnings of the seven colonies (including New Zealand) at £215,000,000 (\$1,032,000,000), or an average of £51 (\$245) per capita, against £44 (\$211) per capita in the United States, and £36 (\$173) in Canada. In proportion to its population, the value of manufactured articles in Australia is greater than in any other country in the world. The total production in primary industries, according to Coghlan's "Statistical Account of Australasia" (1900), was £104,254,000 in 1899, or £23 2-5 per capita, while the industrial production of other countries per capita was approximately as follows: Canada, £16 1-4;



United States, £14 2-3; France, £11 1-2; Denmark, £10 1-4; Sweden, £10; Belgium, £8 4-5; Germany, £8 2-3; Austria, £8 1-3; Spain, £8 1-5; United Kingdom, £8. The national debt of Australasia in 1900 was £1,183,055,000, or \$263.90 per capita.

Estimates of the national wealth of most Asiatic and African countries cannot be made with accuracy. Even in the British colonies and protectorates, statistical information is far too incomplete for a detailed enumeration of such property as lands, mines, railways, houses, and other items. To compile statistics of this sort for the countries of Asia and Africa is the difficult task that awaits some future Mulhall.

## EDITORIAL CRUCIBLE

It is reported that on March 7th, certain enterprising New York dealers had on hand 35,000 tons of anthracite coal, which they were vainly struggling to dispose of at \$4.50 per ton. Much of this coal is said to have cost them \$10.00 per ton. One firm is said to have lost \$100,000 on this transaction. This is wholesome news. If each dealer who thus tried to hold up the public had been forced to bankruptcy by the transaction, it would have been a valuable lesson. These are the very people who make so much ado about trusts forcing up prices, and "squeezing the public."

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GROVER CLEVELAND seems to have a remarkable capacity for not learning by experience. He sagely repeats the advice of 1892,—to make tariff reform the issue, as if nothing had happened during the last twelve years. With Mr. Cleveland, tariff reduction is the sacred solvent for everything. He can think of no sacrifice too great for the nation to make to secure tariff reform. He seems to have a genius for curing the "evils" of prosperity. Well, he certainly has demonstrated that his doctrine will do this. He did it successfully in 1893, and if the people will only give him a chance, he will do it again in 1904. For curing the evils of prosperity, demand for labor, high wages, and extension of business, he can be trusted to produce results every time.

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IF THE findings of the coal strike commission do not entirely sustain the claims of the miners' union, they have nearly reversed the decision of the operators. On the matter of wages, hours of labor, and appointment of weighers, the commission has ordered what the operators declared to be impossible. Taken all in all, the report must be regarded as a victory for the miners. If this action has the effect of modifying the attitude of the operatives without inflating the egotism of the miners, it will be a very wholesome thing; but if the miners should take this decision as an endorsement of all their meth-

ods and become insolent and dictatorial, as is too often the case after a victory, it will be a misfortune for the cause of labor throughout the country.

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SENATOR ELKINS' bill, providing for imposing an additional duty of 10 per cent. ad valorem on all goods imported into the United States in vessels owned abroad, is the true way of protecting American shipping. It has none of the disadvantages of bounty, which may be easily abused. It simply makes all shippers, who insist upon importing goods into this country in foreign bottoms, pay 10 per cent. extra duty. Such a measure is easy of application and gives a direct inducement for all shippers to encourage American shipping. Those opposed to protection will object to this, as they would to any other protective measure; but if we are to have any protection at all, this is the kind that should be adopted. It treats all alike, adds to the revenue instead of depleting the treasury as bounties do, and at the same time affords protection to American shipping.

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THE HOLLOWNESS of the "sympathy for Cuba" talk is thoroughly exposed in the amendment the democrats forced upon the reciprocity treaty, preventing it from going into effect until approved by congress, which deprives "starving Cuba" of all benefits for practically another year.

As the *New York Times* correctly says, "The object of this was to make certain that there would be an opportunity for a full tariff discussion at the coming session of congress." This states the case exactly. The purpose of the whole thing is not to fulfill any moral obligation to Cuba, or to "prevent Cuba from starving," but simply to create an opportunity for opening up an extended discussion of the tariff in congress next winter. In short, the urgency of this reciprocity business is to furnish an excuse for stirring up the question of tariff revision, in the hope of making it a chief issue in the campaign of 1904. The whole thing is politics, and for the republicans—very poor politics.

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OREGON HAS PASSED a law prohibiting the employment of children under fourteen in factories, shops, mines, telegraph



and telephone messenger offices. North Carolina, South Carolina, Alabama and Arkansas have all passed a law fixing twelve years as the age limit for children in factories. A similar law is before the Virginia legislature, but it is held up by the disagreement between the house and senate as to the details. Remarking on this advance in child-labor legislation in the South, the New York *Evening Post* says:

"Insufficient as these laws are, they are better than none at all. It is worth noting that in only one state has an advance in child-labor legislation been actually voted down this year. This was in California, where the senate refused to adopt a bill similar to that of Oregon, fixing the limit of employment at fourteen years."

Such an attitude shows great progress in the line of humane protective legislation for labor, and the progress in the position of the *Post* on the question is scarcely less striking than the legislation of the southern states. It is only a few years ago that the *Post* had nothing but sneers for all attempts at short-hour legislation; thus agreeing with Edward Atkinson that a legal restriction of the hours of labor destroyed the "freedom of contract" of women and children. Surely, "the world do move."

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IT HAS almost become a fad nowadays to abuse the United States senate for not dispensing with debate and responding to the crack of the executive whip in rushing through legislation. It is undoubtedly true that unlimited debate is sometimes abused, but it has never permanently thwarted, or injuriously delayed, any legislation important to the country, and it has frequently saved the nation from impulsive, half-baked legislation. The present senate is entitled to high praise, instead of denunciation, for its services to the country in this respect. It has protected the country against the rash, ill-digested measures, both of the house and the executive. It has prevented the making of Arizona, New Mexico, and Oklahoma into states; it has prevented the passage of reckless and almost revolutionary legislation against corporations and business enterprises, and it has prevented the establishment of reckless reciprocity

treaty-making by holding up the Cuban treaty until the re-assembling of congress. If it had done nothing else but prevent the infliction of these three pieces of law-making upon the country, it would have sustained its time-honored reputation as the sane, conservative branch of our national government. On all these measures the house has acted more like a populist convention than a deliberate national legislative body. If electing United States senators by popular vote would make the senate like the house, that would be a conclusive reason why it should not be adopted. In that case Macaulay's description of our government as "all sail and no anchor" would indeed be true.

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FROM THE BEGINNING, the Low administration has been eminently respectable, but it has lacked vigor and competency. To be merely honest and respectable is not enough. If New York is to be permanently redeemed from Tammany, or even emancipated for a considerable time, it must have a good allopathic dose of fearless efficiency as well as honest respectability. During the first year the lack of this vigorous quality was so conspicuous that the best friends of the reform administration began to fear that it would die of mere insipient goodness.

The retirement of Colonel Partridge and appointment of General Greene to the office of commissioner of police is the one hopeful sign of the second year of the Low administration. Commissioner Greene has done and is doing the same kind of effective work in the police department that Colonel Waring did in the street department. He is entitled to and should receive the hearty co-operation of all the friends of wholesome municipal government, and while the public is holding up the hands of Commissioner Green, Mayor Low would do well to be introducing the same vigorous quality into some of the other departments. The people of New York are a little impatient of mere drift virtue. Negative integrity is not good enough. Vigorous, positive reconstruction, even if it makes a few precious chips fly, is what is needed—what the public is looking for and expecting, and if it does not come, another term for the Low administration may be doubtful. More General

Greens and fewer Colonel Partridges are necessary without further delay.

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THE QUESTION of so amending the constitution of New Hampshire as to admit women to the suffrage has just been put to the popular vote and was lost by a majority of over two to one. It is evident that the women of New Hampshire are not trying very hard to mould public opinion in favor of woman's suffrage. The only way for women to get the suffrage is to make a strong demand for it, and show their interest and fitness for it by intelligent participation in the discussion of public affairs, the destiny of which is determined by the ballot-box. Until women want the suffrage badly enough to do this, they are not likely to become voters.

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"I have about made up my mind to accept the next invitation that I receive to a harmony banquet where Mr. Cleveland is to be present. . . . I have a right to speak of Grover Cleveland's democracy—for I have borne his sins in two national campaigns. He has made the democratic party the scapegoat for his political crimes, and his record still hangs as a millstone about the neck of the democratic party. Grover Cleveland cannot come back to the party unrepentent without driving out ten votes for every vote that he can bring back."—*William Jennings Bryan*.

Since the death of Charles A. Dana and Senator John G. Ingalls, nobody is better qualified to "serve up" Grover Cleveland leadership. Whatever else the democratic party may do, it is quite safe to predict that it cannot win with Cleveland leadership. Mr. Bryan may not be able to lead the party to victory, but he is abundantly able to lead any Cleveland candidate to defeat.

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THE *Rochester Democrat* seems to have been greatly disturbed by the clash of opposing feelings over Mr. Gunton's lecture on "Is Negro Suffrage a Failure?" In an editorial on the subject, in which it uses several questionable adjectives, it says:

"Professor Gunton's latest lecture is on the question 'Is Negro Suffrage a Failure?' Professor Gunton thinks it is a failure, and his



address is thoughtful and suggestive, if not convincing to all minds. He favors a suffrage for whites and blacks alike, based on education, intelligence and general fitness, instead of merely on the voting age. That is a good idea. But Gunton disgusts decent readers when he accuses the president of appointing negroes to office for the purpose of getting southern delegations for himself in the next republican national convention."

How difficult it is for some people to state a fact correctly. Mr. Gunton did not "accuse the president of appointing negroes to office for the purpose of getting southern delegations for himself in the next republican national convention." What he said on that point was:

"At this moment the machinery is at work to corral the negroes to secure the delegates from the southern states in the republican convention for the nomination of Mr. Roosevelt for a second term."

Of this fact there is no question. That the administration agents are out hunting for delegates is common knowledge. There is nothing new in this, nor did Mr. Gunton hint that more is being done in this respect under the present than under previous administrations. He pointed out that this is the political use that is constantly made of negroes who can do practically nothing toward electing republican presidents. If the *Rochester Democrat* thinks negroes are not used for all they are worth in the election of delegates from southern states to control the nomination of presidential candidates in republican conventions, it needs to freshen up a little on the subject.

## QUESTION BOX

### Would a General Eight-Hour Day Increase the Cost of Living

Editor GUNTON'S MAGAZINE,

Dear Sir:—If eight hours should constitute a day's work in all factories and workshops, would it not mean a proportionate rise in the price of manufactured articles and a corresponding increase in the cost of living?

Would not a rise in prices, if it came about, check consumption, reduce the demand for labor in all lines and thus leave the wage-earning classes no better off than before?

S. E.

Undoubtedly the general adoption of the eight-hour day would at first tend to increase the cost of production, but in this respect it would be exactly equal to an increase in wages. Any objection to the increased cost that would come from shortening the working day would equally obtain against any increase in wages. If wages are never permitted to increase, there will never be any increase in the improvement of the common people or in public welfare. In experience, however, the result feared by our correspondent has always been predicted by employers and publicists, but it has never come to pass except in the most temporary way.

Granting that there would be a slight increase in the cost of production, just as there would be in an increase of wages for any other cause, it does not follow that this would create either a permanent increase in the cost of production or in the price of commodities. When such changes occur, they always lead to many other compensating changes. For instance, reducing the hours of labor gives to workmen more leisure; it increases their opportunities for social cultivation, and greater freedom and range of intercourse. This is practically social education, which tends to stimulate and diversify the tastes and wants of the people. This stirring of the social desire is the beginning of new demands and greater consumption, not of the

things they have previously used, but of new things, which is equivalent to enlarging the market for an increasing variety of manufactured products. This is the force, and the only force, which stimulates invention and the adoption of new machinery. The function of new machinery is always to lessen the cost of production and lower the price of commodities.

This process can never come except as the accompaniment or sequence of increased consumption or larger market. This is the process that the community has gone through many times within the last century. If it were not so, the increase of wages and shortening of hours that have occurred during the last seventy-five years would have destroyed every manufacturing and productive enterprise in this country and England, and the greater part of Europe.

Our correspondent suggests the old-fashioned way of reasoning in a circle,—that an increase of wages means an increase of cost, and that an increase of cost is an increase of price, and, therefore, the increase of wages is neutralized by the increase of prices, and the laborer gets no benefit. Such reasoning is false, because it fails to take account of the new forces which the shorter day and higher wages bring into existence, resulting in cheaper methods of production which more than offset the increased cost of higher wages. This is why the most improved machinery, largest capital and most extensive enterprises, with the lowest priced products, are found in those countries that pay the highest wages for the shortest working day, and have the highest standard of living among the laborers. If low wages really gave a lower cost of production and lower priced commodities, the United States would be handicapped with every market in the world; whereas, it is forging ahead and outdoing every other country, notwithstanding wages are from 40 to 75 per cent. higher than in any other country.

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### Women's Labor

Editor GUNTON'S MAGAZINE,

Dear Sir :—In view of all that has been said and written



of late regarding child labor in the South and elsewhere, and the efforts that are being made to minimize the evils attendant on the employment of young children, particularly in factories, I would like to ask if the labor laws of any state make a distinction between the sexes in regard to hours of labor, nature of work, etc., and also if there is any state law prohibiting the employment of women or girls in occupations detrimental to their health or morals.

H. W.

Yes, most states make some distinction between the sexes in regard to the hours of labor. For instance, nearly all the states outside of the South forbid women and children from working nights, and in nearly all the states women are prohibited from working in coal mines and certain other dangerous occupations. But all the general factory legislation is based on sex; that is to say,—the laws regulating the hours of labor in factories and workshops, and also in stores, restrict the hours of labor of women and children, but never of men. This was true of the English factory laws, the spirit and almost the letter of which has been transferred to the Massachusetts factory acts, and the same has been extended to all the states which have legislated upon the subject, which included every manufacturing state in this country except the southern states.

The effect of this legislation for women and children, however, is always to restrict the working hours of the men, also, because it never paid to run the factories for the men alone. The women and children constitute a sufficient portion of the operatives to make it unprofitable to work part of the time without them. So the effect of the factory laws, which in New Jersey reduce the hours to fifty-six per week, in Massachusetts to fifty-eight, and in all other states outside the South to sixty, is to restrict the working hours of all operatives to those prescribed for the women. If the corporations tried to get the men to work regularly an hour or even a half-hour a day longer than the law prescribes for women, they would probably fail; the men would refuse to work the longer hours. So the legal shortening of the working day for women and children has ever been equivalent to shortening it for all the operatives in the same industry.

### Socialists' Claims

Editor GUNTON'S MAGAZINE,

Dear Sir :—I listened recently to a lecture on socialism by the editor of a socialist paper in New York city, and he presented as an indictment against capitalism: (1) That the state is organized to protect capital and property, and to oppress and enslave the masses. (2) That all the laws affecting industries are made in the interest of capital, and (3) that manufacturers and business men are in favor of government ownership of railroads, because it would relieve them of exorbitant charges; in fact, all classes who seek relief against the others are willing to adopt government ownership, but they oppose it for their own industry. (4) That the only remedy for the evils of capitalism is to attack the whole industrial system. (5) That profits are robbery. (6) That socialism would abolish the slavery of the wage system, give every man the full amount of his product, and solve the whole problem of poverty and industrial discontent.

I should like to ask if these statements are well founded, and if they represent the true state of present industrial conditions? Yours truly,

A "LIBERAL CLUB" LISTENER, New York City.

Not one of these statements is even approximately correct. They are evidently founded more on feeling than either fact or reason. We shall take them in their order:

1. The state is not organized, nor is it used primarily to protect capital and oppress and enslave the masses. The state is legalized government, which came into existence, and has been constantly subject to modification, to protect the community or country against molestation, from without, and to maintain order and protect the interests and rights as evolved by the character development, and the consensus of opinion of the people. The state does protect capital and property; it has perhaps been oppressive to the masses, and has sometimes legalized slavery, but these acts are always incident to order and in accordance with the consensus of opinion and development of character of the people in that community or country where they are enacted; and just as fast as this consensus of opinion changes, the laws are modified. It is exactly through this process that absolute monarchy has been superseded by

constitutional monarchy, and in some instances—as in this country—by democracy, and slavery has been superseded by wage conditions and a high degree of individual freedom, and both these changes came about in response to the demands of the people.

2. The second statement is almost wholly fallacious. There are hardly any laws made in this country in the interest of capital; on the contrary, the whole trend of legislation is against capital. Witness the congress that has just adjourned. The greater part of its time was taken up in discussing measures against trusts and corporations. The same is true of the most of state legislation. As a matter of fact, capital is getting no legislation in its favor. The chief struggle of corporations in politics is to prevent adverse legislation. They are not even asking for legislation in their favor, and for the most part they need not. So this statement is the reverse of every-day experience.

3. This statement is also without foundation in fact. Manufacturers and business men are not in favor of government ownership of railroads. The only people who are in favor of this proposition are socialists and populists; but no class of business men has shown any evidence of favoring government ownership of railroads or any other industry. There may be a few individual exceptions, but as a general statement, it is not true.

4. Here, again, your lecturer was speaking from feeling rather than fact. Thus far none of the remedies for industrial evils have been accomplished by attacking "the whole industrial system." On the contrary, all economic reforms have been secured by advocacy of specific remedial propositions. Take the history of the factory system. All the factory laws reducing the hours of labor, protecting the lives and limbs of operatives, enforcing the age limit for the employment of children, providing for compulsory education, establishing boards of health, and sanitary conditions in the homes of laborers, restricting the sweat-shops, compelling the furnishing of seats for shop girls, prohibiting night work, and in fact all the improvements that have been introduced under the wage sys-



tem since the advent of factory methods, have come by piecemeal demand, and none have come as the result of any wholesale socialistic attack upon the capitalist system of industry. It is by the specific economic demands presented by trade unions, that all the industrial reform which has thus far been secured, has been accomplished.

5. The declaration that profits are robbery is simply a repetition of the statement made by Karl Marx. This theory has been literally shattered and shown to be devoid of any economic truth whatever.\* As has been frequently explained in these pages, profits are not from the exploitations of labor or any other human element, but are the result of the exceptional exploitations of nature. Profit, by which is meant the surplus income above the cost of production, is the result of making nature yield more per dollar of investment than the poorest competitor in the same market. Under competition in the open market, prices tend to equal the cost of production of the dearest portion of the general supply continuously furnished. Capitalists, whose costs are at the maximum, get little or no profit. Those who can produce at a less cost per unit can sell at the same price, and therefore have a margin of profit. This profit increases or diminishes in proportion as their costs are less than their most extensive competitor in that market. It is for this reason that those who have the largest capital and the best machinery have the best management and make the greatest profits, because they produce at the best advantage with the greatest economy, and hence at the lowest cost. This is why Carnegie could make 20, 30 and 40 per cent. profit, while many of his competitors could barely make 5; but he did not rob the laborers, nor the community. He always paid as high, and usually higher wages than his competitors. None of the profits came out of the consumer or the laborer, but from his power to make nature yield more per dollar in investment.

Profits, therefore, are not robbery, but are surplus products which are drawn from nature by the exceptional use of

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\*"Principles of Social Economics," pp. 249-279.

capital and organized skill. Moreover, this profit is ultimately distributed to the community through higher wages and lower prices. The profits of capital in one decade pass to the community in another decade through higher wages, lower prices and taxation for public improvement. If these profits were not produced, no increased wages, lower prices, nor public improvements, could continue; in fact, social progress would stop.

6. This is a matter of prophesy based upon previous fallacious propositions, and, therefore, can hardly be expected to be fulfilled. Socialism could not abolish the wage system without thrusting society back to the primitive methods of the pre-capitalistic era. If the government owned all the means of production, the wage system would have to go on, because there is no other way by which the work could be done. If laborers are not permitted to own capital and conduct industry on their own account, they will be compelled to work for the state. The state could distribute the products only through payment of wages. Therefore, if socialism continued to use the modern methods of production, it would be compelled to continue the wage system. It could abolish the wage system by abolishing the factory methods and all modern machinery, but that would be returning to barbarism; nobody could abolish the wage system by doing that. If wages constitute slavery, the laborers would be just as much slaves under socialism as they are now. Nor is there anything that would solve the problem of poverty; nothing would do that which does not increase the distribution of wealth. Socialism could do nothing to increase production. That comes only by the development of superior methods, new inventions, better organizations, etc. This is purely the function of exceptional enterprising ability, which socialism would destroy. The present system has at least the merit of encouraging industrial experts by natural selection, the attraction being that, for a time, at least, those who make nature yield the most by the introduction of new devices shall have the largest profits. Under this incentive, invention and the highest class of personal energy is called into action. Such advance would be prevented by socialism, because under social-

ism profits would be forbidden and no reward offered for the development of superior ability. Moreover, industrial managers would have to be selected by popular vote. Popular vote never elects the best. The lecturer referred to by our correspondent would probably, by the glibness of his tongue, be elected to the management of the steel trust in preference to Schwab or Andrew Carnegie. That popular vote never elects the best, is shown by our present political experience. We seldom get the highest characters or the greatest ability in politics, because the choice depends upon the popular vote. John D. Rockefeller, Pierpont Morgan, or Andrew Carnegie, could not be elected, probably, for alderman under popular vote. Under private enterprise, where the industrial expert can convince a few others that by the expenditure of fifty or a hundred million dollars a great improvement in some line of industry can be accomplished, the thing is done at once. Under socialism it would have to be agitated, and the average voter, who knows nothing about it, would have to be convinced of the wisdom of spending fifty or a hundred millions of dollars, and it might take years and years before the change could be made; and thus innovation and improvement would necessarily come very slowly, if not arrested altogether. If we cannot elect even honest men to our legislature to conduct our municipal, state and national government, upon what principles might we be expected to elect industrial experts to manage our industries? Socialism would bring with it no special influx of wisdom.

Socialism would reverse the order of societal progress. The tendency, from the dawn of history until now, has been to increase and extend the sovereignty of industrial action and responsibility. Socialism produces the stultification and suppression of industry. The further we go back toward the primitive ages, the more we get of collective or socialistic institution. The more we move towards freedom and high civilization, the more we have of individuality and personal responsibility.



## CURRENT COMMENT

### **Labor Injunctions.**

Those who insist that laborers have a conceded right to strike will have to modify their opinions after reading the injunction issued by Judge Adams, in the United States Circuit Court, at St. Louis, against the employees of the Wabash railroad, on the second of March. The injunction says in part:

"Whereas, it has been represented to the judges of the circuit court of the United States for the eighth circuit in the eastern district of Missouri, in chancery sitting, on the part of the Wabash Railroad Company by its certain complaint against you and each of you that you are combining and confederating together in order to cause a strike on the part of the employees of the said railroad company, engaged in and about the operations of its trains, as brakemen, switchmen and firemen, and in interfering with, hindering, obstructing, and stopping the business of said railroad company as a common carrier in the United States;

"We, therefore, in consideration thereof and the particular matters in said bill set forth, do strictly command you and each and every one of you, individually and as representatives of the order or brotherhood of railway trainmen and brotherhood of locomotive firemen, yours, and said organizations', representatives, clerks, agents, and attorneys, and all others who may be aiding or abetting you or them, and acting in concert with you or them, and under your or their direction, until the further order of this court, absolutely to desist and refrain from in any way or manner, ordering, coercing, persuading, inducing, or otherwise causing, directly or indirectly, the employees of the said, the Wabash Railroad Company, engaged in or about the operation of its trains within the United States, and brakemen, switchmen, or locomotive firemen, to strike or quit the service of said company; . . .

"And from interfering with or preventing said railroad company from offering reasonable, proper, and equal facilities for the interchange of traffic between its lines of railroad and

other lines of railroad connecting therewith, and the receiving, forwarding, and delivery of passengers and property to and from its lines of railroad with other railroads connecting with such lines, and making a continuous carriage of freight from the place of shipment to the place of destination."

"The injunction order, as it reads, does not interfere with the right of the mechanics or laborers of the Wabash Railway to strike; it only restrains the heads of the trainmen's union from coercing, persuading, or inducing the railway employees to strike or quit the service of the company. It leaves, of course, the individual workman or any number of workmen to act on their own volition, but it very properly directs outside conspirators to refrain from aiding or abetting a movement of which the intent is to paralyze a great common carrier."—*New York "Sun."*

"It cannot be affirmed that the court, in taking this step, has infringed or curtailed the right of the company's employees to desist from work, or their right to act through the trainmen's union. It has merely sought to protect the public, including the employees themselves, against a great and sudden calamity—the cessation of traffic on some thousands of miles of railway—until the reasons for it shall have been heard and opportunity given for an adjustment of differences between the company and its operatives."—*New York "Evening Post."*

"It is not an injunction against a strike by any class or number of the employees of the railroad company. The right to cease work is not denied or interfered with. The operation of a railroad under a corporate franchise is a quasi-public service, and in it the public as well as the corporation and its employees have rights. The courts will not permit the corporation for any purpose of its own to suspend its operation. They cannot prevent any or all of its employees from ceasing work in the exercise of their individual rights. The injunction does not restrain anyone from leaving the employment of the railroad, but it does restrain the officers of an organized body from ordering, coercing, or inducing the firemen and trainmen to

leave, and from interfering with the employment of these or others in their places, or with the operation of the railroad."—*"Journal of Commerce."*

"Manifestly, it is conspiracy to do unlawful acts that is here forbidden. The right to quit work, the right of the individual fireman or trainman to leave the service of the company, is not impaired or interfered with by the court. The injunction, though as yet a temporary one, is in harmony in respect to the principles upon which it is founded and the objects it seeks to accomplish with many other similar orders recently issued to restrain strikers. At the same time it must be manifest that it forbids the use of the chief means by which labor unions seek to compel the granting of their demands. If grievance committees and officers of unions cannot order a strike, the union may as well dissolve unless it can devise other means, lawful means, better means, of accomplishing the purposes of organization."—*New York "Times."*

"Injunctions have been issued heretofore to restrain the members of labor organizations from interfering with other workmen, damaging property, or indulging in violence. But no court has before questioned the right of any body of men to organize among themselves and peaceably quit work. It has been assumed that the right to labor involves the corresponding right to refuse to labor, and that in the exercise of this latter right men may act as individuals or collectively. But Judge Adams' injunction, if it is sustained, revolutionizes the relations of organized labor to its employers, and will practically eliminate the strike as a weapon of defence."—*Boston "Herald."*

"If this injunction stands, and is finally written into the laws of our country, it is difficult to conceive of the possibility of fixing the limit to 'government by injunction.' There have been other injunctions granted by the courts in railway strikes, but none so sweeping and far-reaching as this."—*Des Moines "Register and Leader."*

"It will also been seen that if any person, even in the privacy of his own home, should advise an employee of the



Wabash Railway that he ought to leave the service of that company, or should advise the employee of a connecting line that he ought to refuse to afford facilities for the interchange of traffic with the Wabash Railway, such person would be violating Judge Adams' injunction, and would be liable to punishment for contempt."—*Chicago "Inter-Ocean."*

"The Wabash injunction interferes with no man's lawful liberties. On the contrary, it restrains any man from interference with the lawful liberties of his fellows. It restrains no man from stopping work whenever he pleases. It does restrain him to let every other man alone, whether he quits his work or sticks to his work."—*New York "Press."*

"It is important to note that the injunction in no way prevents Wabash employees from striking. The men may go out on strike without in any way infringing the order of the court. What the injunction does is to prohibit the members and officers of the railroad unions who are not necessarily members of the Wabash staff of employees from in any way inducing Wabash employees to strike. . . . If it were, Judge Adams would have drawn the injunction, not so as to prevent certain people from inducing the Wabash men to strike, but to prevent the Wabash men from striking. This he did not do, nor was he asked to do it. Therefore, there is no warrant whatever for anyone raising a cry of 'oppression by injunction,' in connection with this action."—*"Wall Street Journal."*

#### Our Naval Strength

"A quarter of a century ago we had not afloat a single ship of war which was 'up to' that 'date.' As the historian of the troubles in Samoa has explained, it was the attitude of Germany in those troubles that founded 'the modern navy of the States.' It was intolerable to us that we should be without the means of resisting the aggressions to which it then and there became plain that we might be exposed, and to which it seemed equally plain to many of us that we should be exposed unless we were

prepared to resist them. Another lesson of the same kind was given to us from the same quarter twenty years later, and we have lately had still another. It is accepted as a political axiom in Washington that we cannot afford to be inferior to Germany upon the sea."—*New York "Times."*

"The conference committee on the naval appropriation bill, in the hurried and midnight hours of the closing session, decided that the United States should maintain its position as the third naval power in the world.

"This national decision of the first importance and far-reaching consequences has been reached by common consent, without debate, agitation, or excitement. It is the best possible answer to the issues and apprehensions raised by the Venezuelan controversy and the windy utterances of German professors.

"Not a European government but will regard this as the news of the year in naval affairs. It means that the three great fleets of the future are to be England, France, and the United States. The German plan to go the front is seen and surpassed. Germany is at the end of its expenditure in its naval construction. The United States is but beginning to use its resources."—*Philadelphia "Press."*

"Only two of the great naval powers—France and Great Britain—exceed us in the number of vessels building, and Great Britain alone surpasses us in tonnage under construction. We have already in our navy 109 vessels of 278,259 tons, and are building forty-four of 300,484 tons. The vessels building are nine first-class battleships, two other battleships and coast-defense vessels, eight armored cruisers, three first-class protected cruisers, and six second-class protected cruisers. Great Britain's figures are: Vessels built, 546, of 1,401,018 tons; vessels building, 78, of 406,856 tons. She is building eleven first-class battleships, twenty armored cruisers. France has 370 ships afloat, of 590,942 tons, and is building eighty-three of 213,332 tons. Of these, six are first-class battleships, and ten armored cruisers. Germany has 205

vessels built, of 382,715 tons. She is building twenty ships, which include five first-class battleships, two armored cruisers and one second-class protected cruiser. Germany has a total of 100,713 tons under construction, and has now nine battleships of 100,969 tons' displacement."—*Portland "Oregonian."*

**Tariff Revision** "It is apparent from the declaration of Senator Aldrich, in the senate, that the large task of the next session of congress will be tariff revision. . . . Senator Aldrich admits a present surplus in the treasury that threatens serious disturbance to public business because of the withdrawal of the currency from circulation. It is a real and not a theoretical surplus, now approaching \$225,000,000. . . . The government is collecting more money than it needs, and Mr. Aldrich announces that the republican program for the next session of congress is to reduce the national revenues. This is merely another way of saying that the tariff will be revised by the friends of protection."—*Pittsburg "Chronicle."*

"While it is thought to be undesirable that there should be a disturbance in business by any present effort to enact a new tariff, it is said that the present act might be amended by adding more articles to the free list and by reducing the rates on present schedules, each dealt with separately, by making discounts at a certain percentage, to take effect in one year, two years, or three years, at the beginning of each fiscal year."—*Boston "Herald."*

"It is the policy of protection to admit free of duty such crude materials as do not compete with similar domestic products, and, at a low duty, such as are only slightly competitive. In 1901 the rate on all dutiable imports averaged 49.83 per cent., but the rate on dutiable crude materials was only 28.33, and on dutiable articles wholly or partially manufactured, for use as materials in manufactures and mechanic arts, was only 25.95 per cent., while more than three-quarters



of all crude material imported came absolutely free of duty. These facts show that remitting the duties on finished products for the sake of what little more could be saved on raw materials would be like exchanging five or six for one, and it would take away all protection from labor."—*"The Protectionist."*

"The immediate result of protection is to increase the number of human beings which the country will support. Millions of artisans and other industrial workers are employed who, under free trade, would be elsewhere engaged. The supply of their wants compensates those who, as consumers, seem to be injured by the protective tariff. This is the commonly accepted argument for protection, and it is also pointed out that the injury is less than might appear by reason of the saving of unnecessary transportation, which is waste."—*San Francisco "Chronicle."*

"It is easy to say that protection is a policy 'dictated by selfish interests.' Free-traders have said it many times. In fact, it is about all they can say. It seems to be by some people considered a crime to stand hard and fast for an economic system that invites the investment of capital and insures the employment of labor. When protection falls it will fall through the treachery of professed friends, and not through the fidelity of true friends."—*"American Economist."*

"The absence of any effort at tariff revision by the fifty-seventh congress has not been remarkable, since it has been due to changing commercial conditions throughout the country. It has been illustrated more forcibly than ever that opinions with references to tariffs are influenced largely by the point of view.

"Many of us can remember the old schoolbook story, told in verse, of the three blind men of Hindustan who went to 'see' an elephant. The first stumbled against the animal's side and declared it to be very like a wall; the second's outstretched hand came in contact with the elephant's ear, and he was ready to make affidavit that the monster greatly resembled a fan; the

last of the trio grasped the pachyderm's tail, and was firmly convinced that the former denizen of the jungle was the unmistakable double of a rope."—*Baltimore "Herald."*

"At last the great dailies have discovered that the protection sentiment is growing in the South. Protection is not a sentiment nor a theory, but a practical business policy, the benefits of which have been thoroughly demonstrated by creating conditions of industry and prosperity instead of idleness, low and uncertain wages, and the necessity for free soup stands."—*Sheffield (Ala) "Reaper."*

**Child Labor  
Regulation**

"It gives us great, yes, very great satisfaction, to notice the general movement that is being made for better child labor laws. The newspapers, magazines, churches, and labor union organs, are bending their energies toward ridding the country of what is the greatest curse and disgrace that today rests on the fair name of America. It is like a brood of foul vultures hovering over their not quite dead prey. It is meet that the various state legislatures now in session should put forth their best efforts toward the enactment of more effective legislation for the protection of children against the inhumanity of man."—*"The Railway Conductor."*

"Ideal conditions in regard to the employment of child labor in shops and factories and mines will be reached—when such labor is entirely abolished and adults do all the work of the world. Remove all children under sixteen years of age still employed—legally and illegally—in the industries of the nation, aside from those of the home and farm, and send them to school, and the ultimate effect on the wage-scale through the immediate increase in the efficiency of operatives and greater efficiency, when adults, of the children now being stunted physically and intellectually, would be marked. . . . In every extension of the laws against child labor, therefore, every community in the United States has a direct interest. So even the meager, half-hearted steps recently taken in this direction

by South Carolina are to be welcomed."—*St. Paul "Pioneer Press."*

"In spite of the opposition of the glass factories, the only interest that has openly antagonized new child labor legislation, the labor committee of the house has ordered a favorable report on the bill amending the child labor law, with new features added that tend to strengthen it and assure its enforcement.

"This bill embodies the conclusions of the federated woman's clubs of the state, and of other organizations interested in the child saving movement. It also has the indorsement of the superintendent of compulsory education in this city, the state factory inspector, the president of the Illinois Federation of Labor, Miss Jane Adams, of Hull House, the president of the Chicago Federation of Labor, the Woman's Catholic League, the superintendent of the municipal lodging houses of Chicago, and Judge Carter, of the Cook county court."—*Chicago "Record-Herald."*

"Within the last winter various western legislatures have recognized this increase of a demand for more stringent legislation by attacks on the practice of child labor. In some cases it has been only a weak stab, but even that is good as far as it goes. It doesn't go deep enough—as it will in ten years from now—when the economic effect is realized of a child labor that puts twenty thousand children under twelve in one section of the country to hard labor for from ten to thirteen hours per day of their growing life."—*"Minneapolis Times."*

"There has been a great outcry of late in the North against child labor in the South, particularly in the southern cotton mills; but it now appears, according to the New York *Tribune*, 'that we need to turn our attention homeward.' It has been found that about 16,000 children under fourteen years of age are employed in New York City in spite of the law, and it has been claimed by workers among the poor that more child labor exists in New York than in all the states of the South combined, which the *Tribune* calls a 'remarkable revelation.' In



spite of the effective work of the state factory inspectors and the city board of health in the enforcement of the present law, children are employed before the educational test has been complied with, and they are employed under the legal age of fourteen."—*Locomotive Firemen's Magazine*."

**The Work of  
Congress**

"While there is just complaint because of the failure of the United States senate to do the work that the people had a right to expect of it, it is apparent that much for the welfare of the people has been accomplished at the short session of congress. In addition to the ordinary work of legislation designed to keep the wheels of government in motion, congress has legislated for the expedition of suits and appeals under the Sherman act, publicity with regard to corporations, and prohibition of freight rebates—three measures designed to secure equality of conditions and opportunity to the people and to bar the granting of special favors or the usurpation by powerful interests of the common benefits of the established machinery of interstate commerce. An immigration bill designed to protect American labor in its rights has also become law. Provision has been made for the building the the Panama canal, and this will be made fully effective at he senate's extra session. Steps have been taken to make our navy a more effective agency of national defense, and the army staff bill will harmonize the work of our military commanders to the same end."—*Pittsburg "Chronicle-Telegraph*."

"Congress performed a great service to the public when it created the department of commerce, and made it possible for that department to serve the people effectively in the regulation of trusts that prove oppressive. . . .

"The naval bills providing for new battleships and cruisers and for an increase in the personnel of the navy were necessary. They are in line with the president's common sense policy of preparedness in matters military and naval. Legislation providing a currency for the Philippines and lowering the tariff on products of that country brought into the United

States was of vital necessity, the latter so urgently demanded by conditions in the islands as to call forth a special message by the president. The currency bill passed, but unfortunately the tariff is still in mid air. Congress has failed to provide a method of making the national currency system more elastic, both the Aldrich and Fowler bills having failed of final enactment."—*Minneapolis "Times."*

"Two measures of real importance which have been enacted are the new militia law, and the law establishing a general staff system in the army. The duties of this organization will be to prepare plans for the defense of the country and for the mobilization of the armies of the United States in times of war, as well as to render professional aid to the secretary of war and the general officers of the army."—*Hartford "Times."*

"There is, however, no way of meeting the embarrassment caused by the failure of the fifty-seventh congress to pass the Aldrich financial bill and the Philippine tariff bill. The latter was one of the most important measures before the fifty-seventh congress. . . .

"There stands to the credit of the fifty-seventh congress, in its closing session, the establishment of the department of commerce and labor, with a corporation publicity bureau; the Elkins anti-rebate act, the law providing for expediting suits under the anti-trust laws, the creation of a general staff corps for the army, the militia reorganization act, the act authorizing five new battleships, the law to protect the president from assassination, the act suspending tariff on coal, the act establishing a currency system for the Philippines and providing civil government therefor."—*Chicago "Inter-Ocean."*

"This congress has expended \$1,551,108,518. The last congress expended \$1,440,489,438. Senator Allison occupied the closing hour in explaining this increased cost of government. Of the \$110,000,000, the Panama canal calls for \$50,000,000. Increased postal expenses, due to great extension of the service and to rural delivery, call for \$50,000,000 more.

The last congress appropriated nothing for river and harbor improvements, while the present congress has given \$15,000,000 for that. These three items cover the alleged extravagance of the present congress, and these, as Senator Allison pointed out, the democrats have concurred in."—*Des Moines "Register and Leader."*

**Trusts and  
Legislation**

"Congress did two things. It created a new cabinet department of commerce, which has power to get the facts about interstate corporations, which the president may publish at his discretion. This makes for publicity. How it is going to work nobody knows, and no opinion in advance of experiments is worth much.

"The new legislation makes the receiving of rebates or improperly discriminating rates on transportation as criminal as the granting of them. This, is is hoped, will give the interstate commerce law a new vitality in the direction of its greatest abuse; and an appropriation was made to enable the department of justice to prosecute offenders and to push its cases to final decision with rapidity."—*"Literary Digest."*

"All anti-trust legislation, so-called, is designed for political effect. The leaders of both the great parties know, and well know, that to enact such legislation will be to put all the power to create or repress industrial establishments and activities into the hands of the federal officials. Who wants this done?

"This anti-trust legislation is ill-advised, charged with danger, and is an experiment fraught with many possible issues of dire import. . . . One thing should always be borne in mind—that in a country so wide in its domain, so great in its influence, so vast in its natural resources, so abundant in the command of skilled labor, with such a great diversity of employment and of resources, trusts cannot injure it for a long period. These facts are simple ones. It ought not to be necessary to rehearse them. For that, the only justification is the necessity to deal in elemental facts in the face of demagogic anti-trust agitation."—*New York "Journal of Commerce."*



**Cuban  
Prosperity**

"The truth is that Cuba has got on uncommonly well under self-government. The old story about the little wisdom with which the world can be governed, might be turned, in Cuba's case, into 'See, my son, with what ease an independent government can be set up and maintained.'

"In Cuba, at any rate, the thing has passed beyond the stage of preliminary and doubtful experiment. For nearly ten months the island has been under a government of its own citizens. Judged by every fair test that can be applied, President Palma has conducted the affairs of Cuba with dignity and skill. The finances were supposed to be the rock upon which he would make shipwreck, yet it is precisely on the financial side that the Cuban government makes its strongest showing. Does it signify nothing that leading American capitalists are now in Cuba, or on their way thither, on the errand, with very little doubt, of bidding against each other for the Cuban loan of \$35,000,000, shortly to be issued?"—*New York "Evening Post."*

"The opportunities for American capital in Cuba seem to be many. Outside of the principle industries of sugar and tobacco, and outside also of concessions which call for the investment of large sums of money, there seem to be openings in a number of different lines.

"The fact that an American firm has established a good saw mill in Havana, and is now buying logs in Cienfuegos and shipping them to the mill, paying freight rates equal to a shipment to the United States, is cited as evidence that the establishment of a mill at Cienfuegos would be profitable. There is much work on the large plantations that are being revived, and it is expected there will be considerable in connection with the new Cuban Central railroad.

"The two principal export woods are mahogany and cedar. These are steadily increasing in value, and the choice timber lands on the north coast, as well as those adjacent to the new railroad, are rapidly increasing in value. There are, however, good mahogany lands on the south coast that may yet be purchased at a low figure."—*Atlanta "Constitution."*

"The people of Porto Rico now find a market in the United States for five times as much of their products as they did in 1897, the year preceding that transfer; and the people of the United States find a market in Porto Rico for more than five times as much of their products as in 1897. Some figures just compiled by the treasury bureau of statistics covering the commerce between the United States and Porto Rico in the calendar year, 1902, and compared with the figures of preceding years fully sustain this ascertain. They show that the value of merchandise shipped from Porto Rico to the United States in 1902 was \$9,634,176, against \$1,943,251 in 1897; and that the value of merchandise shipped from the United States to Porto Rico in 1902 was \$12,195,297, against \$2,023,751 in 1897.

**The President's  
Policy**

"The president, in his letter defending his southern appointments says that the 'prime tests' which he has applied have been those of 'character, fitness and ability;' that he has made no test of color, for he 'cannot treat mere color as a permanent bar to holding office;' nor can he 'treat it as conferring a right to hold office.' But he seems to have forgotten all about those southern republicans he removed from office, who, as he openly admitted, fully answered all his tests of character, fitness and ability, and who were administering their offices with entire satisfaction, but whom he replaced simply because they chose to act with the white republican movement. And he also seems to have forgotten the man whom he spectacularly appointed assistant district attorney in Massachusetts for no other reason than because he was a negro."—*Boston "Herald."*

"The president can scarcely be ignorant of the excitement and sensation which he has aroused among the negroes throughout the United States. He stands, not so much as the champion of their political rights, as of their social claims, their claims to be recognized everywhere as social equals. . . . This is what the negroes believe, and it is what the white people believe, and it is this belief, so generally diffused among

the people of the United States, that has caused the outcry against President Roosevelt.

"Surely the president cannot be blind to this state of things. At any rate, he has created conditions that have started the negroes from their political apathy to a course of aggression and activity, that have not been observed for a long time. This aggressiveness and activity in politics portend something very serious and very injurious to the American people, particularly those of the northern states, from whom alone social recognition is expected by the negroes.

"Here is the cause of the outcry of which the president complains.—*New Orleans "Picayune."*

"Whatever may be the outcome of any impulsive effort of the president, his way to his end is pretty generally to be marked by slaughtered friendships. While he apparently retains his popularity among the people, he has been facile in making enemies among the politicians. He came into the presidency with the outward seeming friendship of nearly all the politicians, although some of the harder-headed among them were, to say the least, not certain of him. The sad ending of the halcyon days of the amiable McKinley softened men's minds, and the promise of maintaining the policy of the murdered president expanded and deepened the friendly feeling for the new and untried successor.

"The breach between Mr. Roosevelt and the politicians was, however, inevitable. His rigid insistence upon the maintenance and the extension of the merit system alone assured the discontent which precedes dislike. . . .

"He was facing the future, for example, and the party leaders were for marking time. The popularity which he has gained has been both of advantage and of disadvantage to him. It has enabled him to force congress to take action which congressional leaders did not wish to take, and this has not increased their liking for him. What he gains for Cuba, for instance, will be against the will of the party leaders."—*"Harper's Weekly."*



**Railroad Ex-  
penditures and  
Development**

"Budgets for 1903 have been completed by most of the railway systems of the country, and conservative estimates based upon them disclose the fact that during the current year at least \$300,000,000 will be spent for betterments and new equipment and between \$800,000,000 and \$1,000,000,000 for betterments and maintenance combined. . . .

"By expenditures which, in the aggregate, have passed the \$1,000,000,000 mark many of the big railway systems have been rebuilt and re-equipped during the past three years, and the work of rehabilitation on the new scale commensurate with phenomenal expansion of traffic will not be completed for another three years at least. Current items of railway expenditure and income are instructive, not only as mirroring the country's prosperity, but also as showing the unbounded faith of financiers and railway managements in the future developments of the United States."—*Chicago "Record-Herald."*

"The prosperous era through which this country has passed in the last six years has never been surpassed by any nation at any period of time. It has been seen in all departments of domestic trade and business, in our foreign trade, in the producing industries everywhere. . . . Not the least of the benefits have fallen to the railroads. . . . The reports are not yet complete, and it is impossible that they should be, but they indicate that the increase in gross earnings since 1896, the period of greatest depression, has been at least \$700,000,000, or at the rate of more than \$100,000,000 per year. Up to 1896 the railroads had never earned a billion dollars in a single year, but in 1902, they earned \$1,700,000,000. The larger part of this improvement was made in the last four years. Net earnings have increased in six years approximately \$235,000,000. Railway securities have advanced in this period an average of more than 60 points."—*"Wall Street Journal."*

**Immigration**

"The new immigration law operates as a restriction of immigrants, if not a very extensive exclusion in that direction. There is a \$2 tax imposed on every immigrant, which the shipmaster bringing

him over must pay before the immigrant can be landed. Idiots, insane people, paupers, or others likely to become paupers, are excluded, as also those afflicted with chronic or loathsome diseases, criminals, polygamists and anarchists. Another indefinite class is added to those prohibited, when it is said, in addition to the anarchists, those holding 'other dangerous doctrines' cannot come in."—*Boston "Herald."*

"In the last six months of 1902 the number of immigrants entering the United States was 372,933, an increase of 97,551 over the number in the like part of 1901, and the influx during January of this year was 85,097, against 26,459 in January, 1902, showing an increase for one month of the new of 8,638. Formerly we got the bulk of our immigration from England, Scotland, Ireland, and the northern part of the continent of Europe, but at present the majority is of different blood and less assimilable. In the last half of 1902 Italy sent us 77,845 immigrants, an increase of 22,894. Austria-Hungary sent 73,275, of 13,670 more than in the last half of 1901. Russia, with Finland, contributed 57,189, an increase of 16,535. The United Kingdom supplied but 26,452, of which number Ireland furnished 14,298. Germany sent but 16,440, against 12,008 in 1901, a smaller increase than was to be expected in view of the hard times in the empire during the past year. Sweden and Norway together sent us 27,904 of their citizens. All Europe contributed 303,091 to our population in the six months, an increase of 83,300.

Asia sent us but 16,296, of which number Japan contribute 10,041, or 5,028 more than in the previous years. In January the figures teach the same lesson—that Austria-Hungary and Italy are sending us most immigrants, and are most rapidly increasing their contributions to our population."—*Baltimore "Sun."*

"The report made by Commissioner-General of Immigration Sargent, showing the number of immigrants arriving in the United States during the six months ending Dec. 31, 1902, makes it evident that the new accessions to our people are of

widely different nationality from those who came to this country in former years. Of the 303,091 immigrants who came from Europe last year more than two-thirds were men, women and children who came hither from Austria-Hungary, Italy and Russia. By the side of the enormous immigration which poured in from these countries, that which came from England, Ireland and Germany was insignificant. There were about six time as many immigrants that came from Greece as there were immigrants from Holland. Roumania sent more of its people to the United States in 1902 than did Belgium, Switzerland, and France combined."—*Louisville "Courier-Journal."*

"During the last years of the decade, 1880-90, the nature of our immigrants underwent a change. Immigration from central Europe and Italy increased suddenly. Every year of the decade, 1890-1900, saw a new increase of a formerly insignificant element. Strangely enough, the same period witnessed a considerable falling off in the absolute number of immigrants from the British isles, Sweden, Norway, and Germany. . . .

"The most conspicuous physical change which will be brought about by intermarriage with the newcomers will be the least noticed by all but ethnologists. The skull will become shorter and broader. That change is taking place now, on a large scale, in the states of New York, Pennsylvania, and especially Massachusetts. A reduction of the average stature will be an altogether unpleasant, but unavoidable, feature of the racial change brought by our present immigrants. The average size of the Baltic people is five feet and eight inches. That of the Alpine is somewhat smaller. Smaller still is that of the Mediterranean. With the widening of the skull and the decrease of the stature, an increase in the number of individuals of the brunette type is the chief physical change which is now taking place in our eastern industrial cities, and which will, in time, probably extend over the whole land.

"Mental changes keep pace with these, and will be most noticeable after the descendants of our present immigrants have identified themselves, to a degree, with American politics, literature, science, and art."—*"Public Opinion."*



"Doubtless the reader is well aware that not only has the country seen a wonderful and steadily growing increase in the volume of immigration to this country since the close of our war with Spain, but our readers may not know that the immigration during the present year will, unless something unforeseen occurs, break all previous records. . . . Out of 700,000 who came last year, about 3,000 were professionals, 80,000 were skilled workmen, 420,000 were unskilled laborers, and 150,000 were women and children with no occupation. The average amount of money is shown by the records to be less than \$6 per capita. Only 70,000—ten per cent.—were possessed of over \$30 each. Isn't it about time to check the flow of this torrid stream?"—*The Protectionist.*"

**Progress of  
Irrigation**

"The British government has expended fully 150,000,000 in irrigation works in India. The Ganges system, which was opened with much jubilation in 1854 by Lord Dalhousie, then the governor general of the colony, at present contains over a thousand miles of main canals and branches, and conveys the precious fluid to an area exceeding 1,605,000 acres. There are several irrigation canals in India more than 350 miles long, and nearly every year witnesses a material extension of the great works. . . .

"These facts go to show that our own government is doing a praiseworthy thing when it seriously undertakes the reclamation of the great American desert by irrigation. We may not need the land so badly as do the Hindus, but it is practically useless, save for grazing, as it is, and if our time-honored homestead policy is to be made effective to-day, it can only be made so by making the land susceptible of profitable cultivation. The area of land in the United States that may eventually be made fruitful amounts to the number of square miles embraced in several of the larger states of the union."—*Atlanta Constitution.*"

"In the East we have, as a result of the comparatively large areas under individual cultivation—one hundred, two hundred, or three hundred acres—farmhouses scattered at

wide intervals, with poor means of communication; and we hear much of the isolation, dreariness, and discontent of farm life, and of the gravitation of the farming classes toward the cities. On the other hand, the best type of rural irrigated communities closely approach the ideal. The farms and orchards are small—thirty, twenty, ten, and even five acres, the land is highly improved, houses are within hailing distance of one another, good roads prevail, schools and churches are readily available to all, mail is delivered daily, and the farmer, though still breathing the pure air of the country, finds himself and his family surrounded by the comforts and conveniences of the city suburban resident. . . . More virtue, more morality, more law-abidingness, more sobriety, more thrift, more general intelligence, more patriotism, and more contentment exist and are fostered in hundreds of western communities to-day as a result of the small rural home than in any other section of the United States.—“*Forestry and Irrigation.*”

**Current Price  
Comparisons**

The following are the latest wholesale price quotations, showing comparison with previous dates:

	Mar. 21, 1902	Feb 16, 1903	Mar. 21, 1903
Flour, Minn. patent (bbl. 196 lbs.)	\$3.75	\$4 10	\$4.05
Wheat, No. 2 red (bushel) . . .	87½	82½	81
Corn, No. 2 mixed (bushel) . . .	67½	60	57
Oats, No. 2 mixed (bushel) . . .	49	43½	43½
Pork, mess (bbl. 200 lbs) . . . .	16 25	17.75	18.00
Beef, Ham, (bbl., 200 lbs) . . .	19 00	19.50	20 00
Coffee, Rio No. 7 (lb) . . . . .	8½	5½	5½
Sugar, Granulated, Standard (lb)	4½	4½	4½
Butter, creamery, extra, (lb) . .	30	26	29
Cheese, State, f. c, small fancy (lb.)	13	14½	15
Cotton, middling upland (lb) . .	9½	9½	10½
Print Cloths (yard) . . . . .	3½	3½	3½
Petroleum, bulk, N. Y. (gal.) . .			5.65
“ N. Y., refined in bbls. (gal.)	7½	5½*	8½
Hides, native steers, (lb.) . . . .	12	11½	10½
Leather, hemlock (lb.) . . . . .	25	25	25
Iron, No. 1 North, foundry, (ton 2000 lbs.) . . . . .	18.50	24.00	24.00

	Mar. 21, 1902	Feb. 16, 1903	Mar. 21, 1903
Iron, No. 1 South, foundry, (ton 2000 lbs. . . . .)	17.50	23.50	23.50
Tin, Straits (100 lbs.) . . . . .	26.75	29.87½	29.90
Copper, Lake ingot (100 lbs.) . .	12.00	12.95	14.75
Lead, domestic (100 lbs.) . . . .	4.10	4.12½	4.67½
Tinplate (100 lbs., I. C., 14x20)...	4.35	3.95	4.15
Steel rails (ton 2000 lbs.) . . . .	28.00	28.00	28.00
Wire nails (Pittsburg), (keg 100 lbs.) . . . . .	2.05	1.90	2.00
Steers, prime, Chicago (100 lbs.)	—	4.90	5.40
Fine silver (per ounce) . . . . .	—	48½	48½
Bullion value silver dollar . . .	—	37½	37½
Ratio, gold to silver . . . . .	—	1-42 <sup>7</sup> / <sub>10</sub>	1.42½

\*In bulk, New York.

The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*, as follows:

	Dec. 31, 1901	Dec. 12, 1902	Feb. 13, 1903	Mar. 1903
Average, 60 railway . . . .	102.99	103.03	108.20	103.32
“ 10 industrial . . . .	63.45	57.48	65.41	63.58
“ 5 city traction, etc. . . .	137.37	130.45	134.92	129.67

*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities, averaged according to importance in per capita consumption for March 1 and comparison with previous dates, as follows:

	Jan. 1, 1893	Mar. 1, 1898	Mar. 1, 1899	Mar. 1, 1900	Mar. 1, 1901	Mar. 1, 1902	Mar. 1, 1903
Breadstuffs . . . . .	\$15.750	\$14.242	\$14.709	\$13.512	\$15.070	\$19.868	\$17.868
Meats . . . . .	9.315	7.860	7.927	8.571	8.696	9.884	9.607
Dairy, garden . . . . .	15.290	11.745	11.825	12.319	13.898	15.611	13.539
Other food . . . . .	9.595	8.408	9.086	9.389	9.396	8.910	9.405
Clothing . . . . .	13.900	14.892	14.530	17.750	15.460	15.498	16.504
Metals . . . . .	15.985	11.798	13.540	18.149	15.875	15.563	17.085
Miscellaneous . . . . .	14.320	12.188	12.545	16.911	16.471	16.259	17.059
Total . . . . .	\$94.155	\$81.133	\$84.162	\$96.601	\$94.866	\$101.593	\$101.067

Prices of certain significant stocks on the New York stock exchange, showing range during the year, as given



by *Bradstreet's*, and the asking prices of certain other stocks, as furnished by the *New York Tribune*, are as follows:

	Range during 1902		Closing Prices Feb. 11, 1903		Mar. 14, 1903
	Highest	Lowest			
Amer. Beet Sugar (com.) . . . . .	30	30	—	—	—
Amer. Beet (pref.) . . . . .	—	—	—	—	—
Amer. Sugar Ref. (com.) . . . . .	135½	113	131½	—	124½
Amer. Sugar Ref. (pref.) . . . . .	—	—	—	—	—
Amer. Tobacco (pref.) . . . . .	151½	140	—	—	—
Cont. Tobacco (pref.) . . . . .	126½	114	117½	—	114½
Gt. Northern Ry. (pref.) . . . . .	203	181½	—	—	—
International Paper (pref.) . . . . .	77½	70	73¼	—	—
N. Y. Central R. R. . . . .	168½	147	150½	—	138½
Pennsylvania R. R. . . . .	170	147	150½	—	143½
Ph. & Read. R.R. (1st pf.) . . . . .	90½	79½	—	—	—
Southern Pacific Ry. . . . .	81	56	65½	—	62½
U. S. Rubber . . . . .	—	—	—	—	16
U. S. Rubber (pref.) . . . . .	63½	49½	54½	—	—
U. S. Steel (com.) . . . . .	46½	29½	39	—	37½
" " (pref.) . . . . .	97½	79	88½	—	86½
Western Union Tel. . . . .	97½	84½	90½	—	—

English prices of staple commodities, as given by the *London Economist*, are as follows:

	Feb. 7 1902			Feb 6, 1903			Mar. 6, 1903.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
Steel rails (long ton, 2,240 lbs.) . . .	5	7	6	5	10	0	5	10	0
Scotch pig iron (long ton, 2,240 lbs.)	2	9	7	2	13	1	0	56	3
Copper . . . . .	55	2	6	56	10	0	60	15	0
Tin, Straits . . . . .	112	10	0	132	12	6	136	10	0
Tin Plate (108 lbs., I. C., 14 x 20)	0	12	10½	0	11	10½	0	12	0
Sugar, granulated (112 lbs.) . . . .	0	15	9	0	15	9	0	15	6
Lead, Eng. pig (long ton, 2,240 lbs.)	11	13	9	11	13	9	13	7	6
Cotton, middling upland (lb.) . . .	0	0	41½	—	—	—	—	—	—
Petroleum (gallon) . . . . .	0	0	6½	0	0	51½	0	0	5½

(American equivalents of English money: pound — \$4.866; shilling — 24.3 cents; penny — 2.03 cents.)

## IMPORTANCE OF THE NATIONAL IRRIGATION ACT

The national irrigation act provides the plan by which the irrigable, but now arid lands in Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming may be reclaimed. It creates from the proceeds of future land sales a reclamation fund to be used by the secretary of the interior.

"In the examination and survey for, and the construction and maintenance of irrigation works for the storage, diversion and development of waters for the reclamation of arid and semi-arid lands."



Chimney Rock and Neesa Verde, The Colorado Desert

The land so reclaimed will be sold to settlers, who must return to the government, in ten equal instalments, without interest on deferred payments, the cost of supplying water to the land. This will give them free land, under the home-

stead law, and the water at actual cost, on easy terms and under canal systems which will be under their control and management. It is believed that under the operations of this law, during each ten years for the next third of a century, an acreage equal to the total now under irrigation in all the West may be added to the agricultural area of the sixteen states and territories affected; thus rapidly multiplying production, furnishing new homes for millions, and providing the food products needed for shipment from our Pacific coast cities for use in the lands across the Pacific—where new markets are now being opened for the surplus products of this country.

The "free homes bill," which provided for the payment of a few millions of dollars to destroy "Indian conditions," in order that lands in Oklahoma could be opened to settlement *free*, furnished the object lesson needed for national irrigation legislation.

President McKinley considered the "free homes bill" the "restoration of the homestead law."

President Roosevelt says: "Much of our prosperity as a nation has been due to the operation of the "homestead law."

Through the operations of the national irrigation act this great, old law will be perfected; millions of dollars will be expended to destroy "arid conditions"; many millions of acres will be opened to settlement—free to American citizens—and the great new states will be made prosperous.

It was a proud day for Senator Francis E. Warren (who during three previous sessions secured senate amendments to the river and harbor bill, providing for the construction of storage reservoirs) when in 1902 the senate of the United States, by unanimous action, without a roll call, sent to the house of representatives the great bill which dedicates to irrigation development the proceeds from the remaining public lands in the arid states. The far-reaching influence of this policy has not been appreciated yet, even in the districts which will be most directly benefited. The first effect has been to give a great advertisement to the western states and to encourage the investment of private capital in irrigation enterprises.



The great benefit to the merchants and manufacturers of the East and West will be realized when Uncle Sam's millions are being paid out for lumber, iron and other materials and supplies, and for the labor employed in the construction of the great reservoirs and tunnels now being surveyed by the U. S. geological survey under the direction of Mr. F. H. Newell, chief engineer of the reclamation work.



Terrace Gardening at Redland Height, California

The remaining 500,000,000 acres of public land which have been dedicated to irrigation development are now used as a great free pasture by millions of cattle and sheep, whose owners pay nothing for the use of the land and who cannot, under existing land laws; either secure permanent title to what they use or have even a temporary right to use exclusively any definite portion which they could improve and control to the advantage of all concerned. The money value of the grazing lands in this great pasture is probably over \$200,000,000. No one can estimate safely the value of the timber and minerals on the public domain.

The forests should be preserved to protect the water sources and the lumber supply of the future; the mining laws

should be improved to give greater encouragement and protection to prospectors and mining operators, and greater revenue to the reclamation fund; the grazing districts should be put under control, in order that the remaining grasses may not be destroyed and that barren ranges may be restored. The present situation is a serious menace to the meat supply of the nation.

In the reclamation fund, created by the national irrigation act, there is now about \$10,000,000, which is being drawn upon to meet the cost of surveys and investigations now being conducted. In some districts of Utah, Colorado, California, Arizona and other states, where favorable reservoir locations are found, the people are planning to shape local laws and conditions to meet the demands of government irrigation officials.



Cement Lined Ditch in Southern California

Actual work will be undertaken soon; labor and material will be needed; contractors will bid upon construction work; merchants will sell goods to be used by the men engaged upon

this work; railroad traffic will be increased and new demands will be created; so that before the new farms are actually cultivated, great benefits will be recognized from the entrance of Uncle Sam upon the irrigation field.

Existing irrigation systems now cover about 15,000,000 acres, of which about 10,000,000 acres are farmed. It is believed, because of the assistance to be received by canal systems now in existence and the strength given to the investment of additional private capital in new enterprises, that, with a few new government systems inaugurated, the irrigated area in the western states will be increased fifty per cent. within five years.

The operations of the national irrigation act will force the improvement of state land and water laws now sadly in need of amendment in many particulars; force the repeal of the desert land act and the improvement of other land laws, bring about improved colonization methods and better co-operation between state administrations, railroads and land owners; attract attention to the Mormon and Salvation Army plans of providing homes for the homeless, and prove to the philanthropists of the country that irrigation development opens up a new channel for great works of charity.

Lands now owned by the states will produce greater revenue, additional values for taxation will be created and lower rates will be possible for states, counties and cities.

The increase of irrigation ranches will provide more hay for feeding, and cheaper feed and greater security for live stock in winter.

The increase of population in the new West will cause a greater demand for goods manufactured in the East, make possible the establishment of additional factories and centers of distribution in the West and bring a great new growth to the western cities.

But, above all, the national irrigation act will provide a way for the relief of the thousands in the cities who, when the next period of depression comes to the nation, will be among the "army of the unemployed."

Thoughts of labor conditions in 1893 and 1894 are not pleasant. Considering the unrest and dissatisfaction with con-





Victor Dam Site on Mojave River, California

ditions existing now—in days of prosperity—will it not be fortunate that should another wave of depression roll over the country there will be a plan already in operation whereby idle men may be put to work and provided with homes on the millions of acres in the new West, now arid, but which by irrigation may quickly be transformed into productive farms?

Thoughtful men and women view with alarm the recent trend of population from the farms to the cities; certainly they will hail with delight the inauguration of the great national movement to turn back the tide toward the farms of the land. The nation celebrated, and the hand of Providence was recognized, when the fortunes of war gave to the nation the new possessions across the Pacific as a base of operations for a great new commerce.

Possibly some time in the future a national irrigation day will be celebrated. When the supplies needed in the new and the old lands across the Pacific are shipped from the valleys opened up by Uncle Sam's ditch builders; when the great new

states are developed and the worthy landless men of eastern cities are transferred to the manless lands of the mountain states, possibly it will be said that Providence had something to do with the national irrigation agitation (which started in Utah, the land of small homes), and that at the critical time, when western men had forced the fight to the front as a national issue, and the West had great strength in the senate of the United States, it was fortunate that there was in the presidential chair a man who knew the West as well as the east, who recognized the justice of the great cause and had the courage to throw his full strength into the fight for the national irrigation act, declaring that: "Successful homemaking is but another name for the upbuilding of the nation."

C. E. WANTLAND.

Denver, January 19th, 1903.





This is among the most important of the circumstances which have been indicated. It is a principal means by which the establishment of manufactures contributes to an augmentation of the produce or revenue of a country, and has an immediate and direct relation to the prosperity of agriculture. It is evident that the exertions of the husbandman will be steady or fluctuating, vigorous or feeble, in proportion to the steadiness or fluctuation, adequateness or inadequateness of the markets on which he must depend for the vent of the surplus which may be produced by his labor; and that such surplus, in the ordinary course of things, will be greater or less in the same proportion. For the purpose of this vent, a domestic market is greatly to be preferred to a foreign one; because it is, in the nature of things, far more to be relied upon.

To secure such a market there is no other expedient than to promote manufacturing establishments. Manufacturers, who constitute the most numerous class, after the cultivators of land, are for that reason the principal consumers of the surplus of their labor. This idea of an extensive domestic market for the surplus produce of the soil is of the first consequence. It is of all things, that which most effectually conduces to a flourishing state of agriculture.

—*Alexander Hamilton*

# GUNTON'S MAGAZINE

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## THE PRESIDENT'S TARIFF POLICY

The attitude of the President toward congress during the last session has created serious apprehension in business circles throughout the country regarding the policy of the Roosevelt administration towards protection. All except those fanatically devoted to the free-trade idea are well aware that any serious revision of the tariff, nay, even any protracted discussion of the tariff question, would be a menace to industry. The present period of prosperity has been so continuous and so surprising to many that it has become a matter of deep concern for the whole country that nothing should be done that may tend to disturb public confidence. This opinion is all the stronger and more widespread because the United States is almost the only country that is now enjoying business prosperity in all departments of industry.

Another reason for apprehension is the wonderful amount of constructive reorganization that has taken place in the capitalization of industries in this country. These large corporations are something of an experiment, as all new things are, but they have thus far shown only healthful signs of steadying as well as economizing power. To this may properly be attributed the continued prosperity without even the symptoms of disturbing economic conditions. This, however, is a matter of great surprise to Europeans, who have been and are still predicting that all sorts of calamities will befall us because of our inflated industrial conditions. There is no real basis for this talk of inflation; indeed, our industries are in a remarkably wholesome condition, and, if undisturbed by political convulsion, there is every reason to expect that the present extraordinary prosperity will become practically normal.

There are several sources from which disturbance might come. One is by repressive legislation against corporations; legislation that would hamper by restriction the free industrial

action of capital, so as to destroy the confidence in the stability and safety of large corporate enterprises. Another source is a radical disturbance of the tariff.

It is not an academic question, but an entirely practical every-day fact, that a large number of the manufacturing and commercial enterprises in this country rest upon the influence of the protective tariff, and that, indirectly, a very much larger number depend upon this policy. The great railroad interests throughout the country and the great rapid transit interests in the cities, as well as the large commercial enterprises, are indirectly dependent upon the tariff policy. If the prosperity of the manufacturing interests, which depend on the tariff policy, were undermined, the great transportation interests would immediately be affected, since these are but the auxiliaries to the manufacturing development; therefore, anything that really threatens to disturb the foundation upon which the safety of the manufacturing and commercial interests of the nation rests, endangers the prosperity of the entire industrial interests of the nation.

There is nothing peculiarly subtle about this. It needs no special training in hair-splitting academic theories to understand the situation. It is for this reason that the common sense of the business world is so apprehensive when there is talk of disturbing the established conditions of industry.

During the past year, especially during the recent session of congress, the president has shown a disposition to encourage dangerous experimentation in this field. He has become a determined advocate of reciprocity, specifically with Cuba and the Philippines, to be sure, but on several occasions his attitude has justified the fear, if not the conclusion, that he favored a general reciprocity policy. This was regarded by those opposed to protection as the most hopeful sign that the president was going to lead a tariff-wrecking policy. The enemies of protection became elated and the friends of business prosperity seriously alarmed. As is always the case, there was a certain element in the president's party that followed his leadership and thought a service was rendered to the party, if not to the country, by advocating tariff revision.

This influence was so strong that it controlled the expres-



sion of the Republican party in Iowa, which at its state convention declared in favor of tariff revision. Many of the leading Republicans throughout the country began to doubt the president's fidelity to protection. This became so strong that in New England and elsewhere there was a growing determination to make open revolt against his renomination, and a revolt against his election should he succeed in obtaining renomination.

When Mr. Roosevelt first became president, the chief fear entertained regarding his administration was that he would be erratic and impulsive; that he lacked ballast; that he was not sufficiently anchored in the great policies of the party and the nation to inspire the restful confidence of the people. This fear was especially visible in the great business circles. It was, however, associated with a strong hope that the responsibility of power would sober and steady the president, and when, in taking the oath, he declared that he would follow in the footsteps of McKinley, it was at least assumed that he would be steadfast on the question of protection. Naturally, therefore, his doubtful and disturbing attitude toward protection during the last session of congress has revived and even increased the fear originally entertained regarding the safety of the nation's industrial affairs in his keeping. All this has made the nation anxiously watch for his utterances upon the tariff in his speech-making tour in the West.

There is one thing that is morally certain, and that is, that the American people do not want, and, unless they are fooled by some misleading representation, they will not tolerate, any trifling with the tariff question now. They know, whether the doctrinaires do or not, that the present era of prosperity, in which all have joined, was stimulated and largely created by the renewed confidence in the protective policy. It was really a political necessity, therefore, that authoritative expression should be given to the position of the administration on this question; hence, it is not surprising that, almost simultaneously, Secretary Root, in an address to the Home Market Club in Boston, and the president, in an address in Minneapolis, should take this theme for their subject. It must be assumed that these two addresses represent the position of President Roose-

velt's administration. In forming an opinion, it should be borne in mind that they were both speaking under considerable political pressure.

The president is really on a delegate-getting mission. This is not dishonorable, although it is doubtful whether so much public speaking by the president, manifestly for that purpose, is in good taste or is even good policy. There is always safety, and usually wisdom, in the silence of the executive, and there is generally danger in too much talking. The president can hardly make sixty speeches in ninety days without saying very many injudicious things and indulging in so much practical repetition as to become very commonplace, if not hackneyed. It is a great help to public opinion to have the president make public addresses on great national questions, but such addresses should practically be state papers, not campaign speeches.

Knowing something of the feeling throughout the country in favor of protection, both Secretary Root and the president saw that an expression favorable to it was very necessary. In view of all these circumstances, the position of the administration on the subject can hardly be regarded as over-assuring. To be sure, both the president and Mr. Root affirmed their faith in protection as an American policy, but the manner of their doing it and the qualifications with which they surrounded their statements will not tend to fire the enthusiasm of that portion of the people, and especially the Republican party, that believes in protection as a national doctrine.

Mr. Root is known never to have been an enthusiastic protectionist. He was always the political associate of Ambassador Choate, who has ever had a special contempt for the tariff; but Mr. Root is secretary of war, and wants his president renominated. Moreover, he was talking to the Home Market Club, which, next to the Tariff League, is the most sturdy protectionist organization in the country, and it would have been difficult for him not to have made a protection speech. Yet he pleaded, not for protection as a national doctrine, or as a sound and necessary industrial policy; but that, since it is an established policy, it is a bad thing to disturb it, and it is a particularly bad thing to undertake a revision of the

tariff just before the national election. He paid tribute to the professional tariff disturbers by describing them as "serving the most useful purpose of warning men of things they, themselves, could never do," and for this some of his mugwump friends, conspicuously the *New York Times*, reminded him that until now he had always been one of "that useful but trying class of our fellow citizens."

His address, while interspersed with bright, and sometimes telling, remarks, was really devoted to pleading that the tariff should not be revised until after election; and, that when revised, it should be done by its friends. This is certainly open to the interpretation that after election the tariff should be revised, which, of course, means by the present administration. It surely does not matter so much whether the tariff shall be revised the session before election, or the session immediately after. This may have some great political significance. It may be a matter of great importance to the administration whether the tariff should be revised before or after election; but to the business prosperity of the country it is a matter of only a few months when the disturbance will come, and it will surely come in either case.

"But," says Mr. Root, "it should be revised by its friends, and we are its friends." Neither is this very encouraging. As already remarked, Mr. Root, who is a very influential member of this administration, never had much heart in protection, and if the friendship for protection is to be judged by Mr. Root's and the president's policy in Porto Rico, Cuba, and the Philippines, and their attitude toward reciprocity, then the protection interests of the country may well pray to be saved from their friends.

The president, in his address in Minneapolis a few days later, dealing with the same subject, really did very much better than Mr. Root. He did not make so many sharp turns on the professional tariff reviser, and talked more like one who believes in the tariff doctrine. He went much further than did Secretary Root in recognizing the tariff as an active force in the present prosperity. Mr. Root devoted much time to explaining the conditions under which the tariff should be revised,



but very little to show why the tariff should exist at all. While the president admitted the need of changing some schedules, he made the following confession of faith in the protective policy :

The present phenomenal prosperity has been won under a tariff which was made in accordance with certain fixed and definite principles, the most important of which is an avowed determination to protect the interests of the American producer, business man, wage-worker and farmer alike. The general tariff policy, to which, without regard to changes in detail, I believe this country is irrevocably committed, is fundamentally based upon ample recognition of the difference between the cost of production—that is, the cost of labor—here and abroad, and of the need to see to it that our laws shall in no event afford advantage in our own market to foreign industries over American industries, to foreign capital over American capital, to foreign labor over our own labor.

This country has and this country needs better-paid, better-educated, better-fed and better-clothed workingmen of a higher type than are to be found in any foreign country. It has and it needs a higher, more vigorous, and more prosperous type of tillers of the soil than is possessed by any other country.

This is the most encouraging thing the president has said since his first message to congress. He there laid down the doctrine he has repeated here. If he will make this the basis of his administration policy, there will be good ground for national confidence in the administration and undisturbed business conditions for another presidential term. But as he said substantially in his first message what he here presents, and has so far forgotten the import of this utterance as to encourage and advocate reciprocity, and permit his administration to use extraordinary measures, even to the extent of lobbying and publishing literature at government expense, to reduce the tariff on struggling American industries in the interest of foreign industries, he must not be surprised if there is a little hesitancy in giving unstinted enthusiasm to his tariff utterances in Minneapolis.

Of course the people believe in his integrity ; they do not think him tricky, but they are not entirely sure of his stability. They may, therefore, be justified in expecting to hear him reaffirm his faith on this subject more than once before they can give him their full, unqualified confidence.

## THE MERGER DECISION

The decision in the case of the United States against the Northern Securities Company was handed down by the United States Court of Appeals on April 9th, at St. Paul. The case was argued before circuit court judges, Caldwell, Sanborn, Fair, and VanDevanter. The decision was written by Judge Thayer and concurred in by all the other judges.

This decision is an epoch-making event. It strikes at the very root of all extensive corporate enterprise. The action was taken under the Sherman anti-trust law and sustained what good corporation lawyers have said all along, that no new anti-trust legislation was necessary, even to kill corporations. All this could be done by the enforcement of the Sherman act.

The truth is that the Sherman act was never taken seriously. It was passed in response to a fanatical anti-trust sentiment, and largely for political purposes. The Democrats were charging the Republicans with being defenders of trusts; and to prove that they were not, the latter enacted the Sherman anti-trust law. For very similar reasons, President Roosevelt ordered his attorney-general to have this law enforced.

It will be remembered that in the campaign of 1900 Mr. Bryan kept daring the Republicans to enforce the Sherman law, and predicted that if the Republicans were elected the law would not be enforced. Mr. Roosevelt, who was then candidate for vice-president, is always easily tempted to accept a challenge; so, not to be outdone by Bryan, he began to advocate anti-trust legislation and declare for the enforcement of the Sherman law. When he accidentally succeeded to the presidency, he remembered that he had made anti-trust speeches on the stump, and, for fear that he would be challenged again, felt that he must advocate anti-trust legislation. He accordingly inserted a rather lengthy paragraph in his message on that subject, advocating, if necessary, a constitutional amendment to empower congress to pass the proper restrictive legislation against large corporations.

When the price of beef rose, the anti-trust people howled

very loudly for the president to keep his word and suppress the beef trust. He responded by ordering Attorney-General Knox to institute proceedings against it.

In the meantime, the Northern Securities Company was organized for the purpose of merging the Northern Pacific, the Great Northern and the Chicago, Burlington and Quincy railways under one management. This created tremendous excitement in the West. The governor of Minnesota ordered the companies prosecuted under the laws of that state. Demands grew loud and long, especially in the Bryan circles, for the suppression of the merger, and President Roosevelt was again dared to enforce the Sherman act. Desiring to increase his popularity and insure his nomination for another term, the President ordered Attorney-General Knox to institute proceedings for the dissolution of the Northern Securities Company. The result of the prosecution is this decision declaring the Northern Securities Company illegal.

According to this decision, the Sherman law makes it illegal for any corporation, or any firm or person, to acquire new properties or enter into any relations by which it can exercise any influence over competition or prices. The fact that it does not restrain trade but promotes it, the fact that it does not injure the public but is a benefit, the fact that it does not raise prices but lowers them, all count for nothing. The simple fact that it can do these things and is capable of rendering beneficial service to the public is a part of its crime. It goes without saying that if a corporation, or a rich man for that matter, can not influence prices and cannot affect competition, then it can render no important service. On this point the language of the court is very specific:

Relative to the third contention, which has been pressed with great zeal and ability, this may be said: It may be that such a virtual consolidation of parallel and competing lines of railroads as has been effected, taking a broad view of the situation, is beneficial to the public rather than harmful. It may be that the motives which inspired the combination by which this end was accomplished were wholly laudable and unselfish; that the combination was formed by the individual defendants to protect great interests which had been committed to their charge; or that the combination was the initial and necessary step in



the accomplishment of great designs, which, if carried out as they were conceived, would prove to be of inestimable value to the communities which those roads serve and to the country at large.

We shall neither affirm nor deny either of these propositions, because they present issues which we are not called upon to determine, and some of them involve questions which are not within the province of any court to decide, involving as they do questions of public policy which congress must determine. It is our duty to ascertain whether the proof discloses a combination in direct restraint of inter-state commerce, that is to say, a combination whereby the power has been acquired to suppress competition between two or more competing and parallel lines of railroad engaged in inter-state commerce. If it does disclose such a combination, and we have little hesitation in answering this question in the affirmative, then the anti-trust act, as it has been heretofore interpreted by the court of last resort, has been violated, and the government is entitled to a decree.

It will be seen that the mere power to benefit, which always implies the power to injure, or vice versa, is a violation of the Sherman law that renders the concern illegal. If this decision is carried into effect throughout the country, it will dissolve every considerable corporation in the land, disintegrate almost every railroad, and disorganize every large productive corporation. All the great trunk line railroads have taken over, or controlled by long lease, some other road. The Pennsylvania, the New York Central, the New York and New Haven—indeed, all the important lines of the country—would therefore be dissolved, and the large corporations would be either destroyed, or resolved back into the numerous little corporations of which they are composed. If this could be done, it would turn back the industrial progress of the country half a century.

The Western Union Telegraph Company, for instance, has absorbed a dozen smaller companies. If this were dissolved, and the small corporations re-established, it would be necessary for a message to go through half a dozen companies in order to reach Chicago. That would put us back to 1866, when it cost \$2.20 to send ten words to Chicago, and \$7.45 to San Francisco, The Standard Oil Company, the American Sugar Refining Company, and the great steel corporations, would all be resolved back into the little individual concerns. The United

States Steel Corporation could not be resolved back into the companies out of which it was organized, because the concerns that it absorbed had already absorbed several other concerns.

This dissolution of large corporations into the original ones would put industry back so far that modern methods could not be used. Such a blow to the industrial organizations of the country would so demoralize confidence in business investment that it would give us a panic within thirty days.

If President Roosevelt intends to be consistent and carry out the law as now interpreted, his administration will be more disastrous to the country than was that of Cleveland, and he will as justly deserve retirement from public life.

No change of the tariff or revolution of the monetary standard would be swifter in destroying the basis of business than would the application of this law, in the light of the merger decision, to the business of the country. And if it should be applied to any, why not to all? Why should some particular industry be singled out as the victim for a rigid enforcement of this law, and all the rest go scot-free? If Mr. Roosevelt is to be honest and impartial in his relations with corporations, he can not stop with the Northern Securities Company. He must dissolve all the large railroad corporations in the country. If he does not do this, but simply rests on the disruption of one, he will clearly be using the government to discriminate against a single corporation, which may properly be interpreted as malicious and capricious, or as done for purely political purposes.

It must be remembered that it is no defense to say that the Pennsylvania, New York Central, and New England railroads are rendering better service by having leased or taken over numerous other railroads. It is nothing to the point to say that the Western Union Telegraph Company renders better and cheaper service since it has absorbed all the small telegraph companies. The court very plainly says that such considerations are not to be entertained in passing upon the legality of the corporations. That they have absorbed others, that they can influence competition, that they can give better service or lower prices, constitute their illegality. It is because they can

do all this that their contracts are adjudged as being in "restraint" of trade.

It would naturally seem that the complainant should at least be called upon to show that the sinning corporation is doing some hurtful act; that it is either raising rates, restraining commerce, or in some way interfering with helpful industrial activities. But not so. The offending corporation may be doing the reverse of this. It may be rendering new benefits, developing new devices, giving better service and lower prices, and rendering in a hundred ways invaluable service to the community. Yet the fact that it has absorbed or in some way taken over the management of some outside concerns, the very act which enabled it to render this service to the public, is adjudged a crime, for which it must be dissolved.

This merger decision will have a tendency to prevent the progress of productive industry in the United States. Its enforcement would be the most effective means of disorganizing industry; and so long as it stays on the statute book it will be a dangerous weapon in the hands of an erratic or demagogic president. There will be no safety in the expansion of industrial enterprise in this country again until the Sherman act is repealed. It is a bad law, conceived for a bad purpose; and in the hands of an unscrupulous or unduly ambitious and impulsive president it becomes a danger to the country.



## REPORT OF THE COAL STRIKE COMMISSION

The work of the Anthracite Coal Strike Commission and its findings mark an advance in the treatment of labor disputes. Many commissions have been appointed, both in this country and abroad, to investigate labor conditions and report the same to the government. The English parliament has appointed several such commissions. The Chicago strike was officially investigated by the Labor Commissioner, Carroll D. Wright, and elaborate reports were made to congress; but never before was a commission appointed by parliament, congress, or the administration, to take testimony and to arbitrate the questions involved in a great strike. This is the first commission of that nature in history. It may be said that this commission was not appointed by the government; but while it was appointed by the president unofficially, it had all the authority and prestige of an official body.

The miners' strike, to settle which this commission was called into existence, was the most extensive, and, with one exception, lasted longest of all strikes that have been undertaken, either in this country or abroad. The great Preston strike, eighty years ago, equaled it in length, lasting twenty-two weeks, but it was only a slight perturbation in comparison with the coal strike in its extent and effect upon the public. The Preston strike did not involve as many hundreds of laborers as the coal strike did thousands. The Preston strikers were cotton operatives, and the result inflicted no perceptible inconvenience upon the public, as nobody suffered for want of cotton cloth; while the coal strike inflicted vast hardship upon hundreds of thousands, by creating a veritable coal famine in the middle of winter, when poor people could ill afford to be without fuel for heating, to say nothing of cooking; and the comparatively small amount of coal available reached such a fabulous price as to put it practically out of reach of the very poor, who most needed it.

In all the history of labor disputes, nothing has occurred comparable in these respects to the anthracite coal strike of

1902. It included 147,000 miners and helpers, with those dependent upon them, which altogether aggregated not less than 440,000 souls. The conflict was an obstinate one. When it had lasted twenty-two weeks, there was no visible sign of yielding on either side. The public was getting well-nigh distracted at the fabulous price of coal, and the inconvenience and hardship inflicted through the inability to procure fuel at any price for domestic and manufacturing purposes.

It will be remembered that the dispute was very largely a question of demand for recognition for the union on one side, and the refusal to recognize it on the other. The questions of wages and of a number of other grievances, which were finally passed upon by the commission, were not raised at the beginning of the strike. They formed no part of the real issue involved in the strike. Nor was there ever a strike in which such a formidable array of capital was massed against organized labor.

Technically, the strike began because a number of coal-mining and coal-hauling railroads, acting in concert, refused to confer with the representatives of the national organization of mine workers. They had negotiated with the miners' national organization two years before (1900), and had decided for reasons of their own that it was unsatisfactory, and they resolved in this case to have no dealings with the national organization; whereupon they refused the request of the president of the miners' union for a conference, to arrange an agreement for the future. After this had been done, the miners formulated a list of grievances, to which they added a demand for shorter hours and an equivalent increase in wages. At the outset the miners were not very well organized, only a small percentage of the 147,000 miners being members of the union; but, as is usually the case, the non-union miners acted as a unit with the union miners, and they were all treated alike by the unions. In fact, many thousands of them joined the unions after the strike had begun. The solidarity of the miners in responding to the call to quit work, and in refusing to return to work under any inducement short of terms satisfactory to the national union, has had no parallel in the history of strikes.

It often happens in great strikes that the non-union men will quit work with the union men; but when the struggle has reached the hardship-producing point, especially when the strikers have to cut down their rations and live on two meals a day, a considerable portion of them (especially the non-union strikers) is generally ready to return to work, and, in a large number of cases, does so. But in the case of the coal miners, there was practically none of this. The mines were opened, soldiers were asked for and supplied to protect those who wished to work. All to no purpose. There was no perceptible indication that the miners would budge without the sanction of the union. All this was most extraordinary, the like of which had never occurred in the memory of man.

Several attempts were made by outside parties, like the Civic Federation to bring the miners and operators together on some common ground; but they all failed. The president finally invited representatives of both sides to a conference at the White House, which resulted in a wrangle verging on a row. The mine-owners refused to consider any proposition from the representatives of the miners, and insisted that they could furnish coal if the president would furnish troops to protect the miners who were willing to go to work. Nine thousand state troops were put at the disposal of the operators for this purpose, with no visible effect upon the situation. The president finally determined to take possession of the mines, as a military act, and to conduct the business under control of the United States troops until the parties could come to terms.

This was the most extraordinary proposition that has ever been entertained under constitutional government. Such a step would surely have been out-czaring the czar. No minister of any constitutional monarchy has ever dared to propose such high-handed treatment of a dispute between capital and labor.

Fortunately, however, this drastic and doubtful, if not dangerous policy was prevented by the mine owners and mine workers agreeing to submit the whole question in dispute to arbitration by a commission to be appointed by the president, whose findings should be accepted as final by both parties in the dis-



pute. Whereupon, the following gentlemen were appointed by the president:—Judge George Gray, of Delaware, chairman of the commission; Labor Commissioner Carroll D. Wright, Brig.-Gen. John M. Wilson, and Edward W. Parker, of Washington, D. C.; Bishop John L. Spaulding, of Illinois; Thomas H. Watkins, of Pennsylvania; and E. E. Clark, of Cedar Rapids, Iowa. The commission was appointed in October, 1902; began its investigations the same month; finished on February 12th, and made its report on March 18th. During its investigations it visited most of the important coal mines, going down into the mines and seeing the men actually at work. It examined 558 witnesses. Altogether, it made the most thorough and eminently impartial investigation that has ever been made into the conditions of coal-mining in this country.

On many points the commission has awarded the laborers more than they asked, and on some it has given them less than they asked. The following are the chief points of the findings of the commission, all of which are to be binding until March 31, 1906, and, so far as they can be retroactive, the findings are to date from November 1st, 1902:

(1.) That an increase of 10 per cent. over and above the rates paid in the month of April, 1902, be paid to all contract miners for cutting coal, yardage, and other work for which standard rates or allowances existed at that time, from and after November 1, 1902, and during the life of this award. The amount of increase under the award due for work done between November 1, 1902, and April 1, 1903, to be paid on or before June 1, 1903.

(2.) That engineers who are employed in hoisting water shall have an increase of 10 per cent. on their earnings between November 1, 1902, and April 1, 1903, to be paid on or before June 1, 1903; and from and after April 1, 1903, and during the life of the award, they shall have eight-hour shifts, with the same pay that was effective in April, 1902, and where they are now working eight-hour shifts, the eight-hour shifts shall be continued, and these engineers shall have an increase of 10 per cent. on the wages which were effective in the several positions in April, 1902.

Hoisting engineers and other engineers and pumpmen, other than those employed in hoisting water, who are employed in positions which are manned continuously, shall have an increase of 10 per cent. on

their earnings between November 1, 1902, and April 1, 1903, to be paid on or before June 1, 1903; and from and after April 1, 1903, and during the life of the award, they shall have an increase of 5 per cent. on the rates of wages which were effective in the several positions in April, 1902; and in addition they shall be relieved from duty on Sundays, without loss of pay, by a man provided by the employer to relieve them during the hours of the day shift.

That firemen shall have an increase of 10 per cent. on their earnings between November 1, 1902, and April 1, 1903, to be paid on or before June 1, 1903, and from and after April 1, 1903, and during the life of the award, they shall have eight-hour shifts, with the same wages per day, week, or month, as were paid in each position on April 1, 1902. All employees or company men, other than those for whom the commission makes special awards, shall be paid an increase of 10 per cent. on their earnings between November 1, 1902, and April 1, 1903, to be paid on or before June 1, 1903, and from and after April 1, 1903, and during the life of this award, they shall be paid on the basis of a nine-hour day, receiving therefor the same wages as were paid in April, 1902, for a ten-hour day. Overtime in excess of nine hours in any day to be paid at a proportional rate per hour.

(3.) During the life of this award the present methods of payment for coal mined shall be adhered to unless changed by mutual agreement.

In all of the above awards it is provided that allowances like those made shall be paid to the legal representatives of such employees as may have died since November 1.

(4) Any difficulty or disagreement arising under this award, either as to its interpretation or application, or in any way growing out of the relations of the employers and employed, which cannot be settled or adjusted by consultation between the superintendent or manager of the mine or mines, and the miner or miners directly interested, or is of a scope too large to be so settled or adjusted, shall be referred to a permanent joint committee to be called a Board of Conciliation, to consist of six persons, appointed as hereinafter provided. That is to say, if there shall be a division of the whole region into three districts, in each of which there shall exist an organization representing a majority of the mine workers of such district, one of said Board of Conciliation shall be appointed by each of said organizations, and three other persons shall be appointed by the operators, the operators in each of said districts appointing one person.

The Board of Conciliation thus constituted shall take up and consider any question referred to it as aforesaid, hearing both parties to the controversy and such evidence as may be laid before it by either party; and any award made by a majority of such Board of Conciliation shall be final and binding on all parties. If, however, the said board is unable to decide any question submitted or point relating thereto,

that question or point shall be referred to an umpire, to be appointed at the request of said board, by one of the circuit judges of the third judicial circuit of the United States, whose decision shall be final and binding in the premises. The membership of said board shall at all times be kept complete, either the operators or miners' organizations having the right, at any time when a controversy is not pending, to change their representation thereon. At all hearings before said board the parties may be represented by such person or persons as they may respectively select.

No suspension of work shall take place, by lockout or strike, pending the adjudication of any matter so taken up for adjustment.

(5.) Whenever requested by a majority of the contract miners of any colliery, check weighmen or check docking bosses, or both, shall be employed. The wages of said check weighmen or check docking bosses shall be fixed, collected and paid by the miners in such manner as the said miners shall, by a majority vote, elect, and when requested by a majority of said miners, the operators shall pay the wages fixed for check weighmen and check docking bosses out of deductions made proportionately from the earnings of the said miners, on such basis as the majority of said miners shall determine.

(6.) Mine cars shall be distributed among miners who are at work as uniformly and as equitably as possible, and there shall be no concerted effort on the part of the miners or mine workers of any colliery or collieries to limit the output of the mines or detract from the quality of the work performed, unless such limitation of output be in conformity to an agreement between an operator or operators and an organization representing the majority of said miners in his or their employ.

(7.) In all cases where miners are paid by the car, the increase awarded to the contract miners is based upon the cars in use, the topping required, and the rates paid per car which were in force on April 1, 1902. Any increase in the size of car, or in the topping required, shall be accompanied by a proportionate increase in the rate paid per car.

(8.) The following sliding scale of wages shall become effective April 1, 1903, and shall affect all miners and mine workers included in the awards of the commission. The wages fixed in the awards shall be the basis of, and the minimum under, the sliding scale:

For each increase of five cents in the average price of white ash coal of sizes above pea coal, sold at or near New York, between Perth Amboy and Edgewater, and reported to the Bureau of Anthracite Coal Statistics, above \$4.50 per ton, f. o. b., the employees shall have an increase of 1 per cent. in their compensation, which shall continue until a change in the average of said coal works, a reduction or an increase in said additional compensation hereunder; but the rate of compensation shall in no case be less than that fixed in the award. That is, when the price of said coal reaches \$4.55 per ton, the compensation will be increased 1 per cent., to continue until the price falls below



\$4.50 per ton, when the 1 per cent. increase will cease, or until the price reaches \$4.60 per ton, when an additional 1 per cent. will be added, and so on.

These average prices shall be computed monthly, by an accountant or commissioner, named by one of the circuit judges of the third judicial district of the United States, and paid by the coal operators such compensation as the appointing judge may fix, which compensation shall be distributed among the operators in proportion to the tonnage of each mine.

In order that the basis may be laid for the successful working of the sliding scale provided herein, it is also adjudged and awarded: That all coal operating companies file at once with the United States Commissioner of Labor, a certified statement of the rates of compensation paid in each occupation known in their companies, as they existed April 1, 1902.

(9.) No person shall be refused employment, or in any way discriminated against, on account of membership or non-membership in any labor organization; and there shall be no discrimination against, or interference with any employee who is not a member of any labor organization by members of such organization.

(10.) All contract miners shall be required to furnish within a reasonable time before each pay day a statement of the amount of money due from them to their laborers, and such sums shall be deducted from the amount due the contract miner, and paid directly to each laborer by the company. All employees who are paid shall be furnished with an itemized statement of account.

(11.) The awards herein made shall continue in force until March 31, 1906, and any employee, or group of employees, violating any of the provisions thereof shall be subject to reasonable discipline by the employer; and, further, that the violation of any provisions of these awards, either by employer or employees, shall not invalidate any of the provisions thereof.

It will be observed that the commission's award gives the laborers an increase of 10 per cent. in wages, and a reduction from ten to nine hours a day; the engineers and firemen are awarded a reduction from ten to eight hours a day; and all work beyond these hours is to be paid for as over-time. It also decides that during the life of this award, disagreements hereafter arising shall be settled by arbitration by a permanent joint committee, to be called a "Board of Conciliation," chosen equally by the miners and employers, and any question that cannot be settled by this committee shall be referred to an umpire, whose decision shall be final. It also provides for a sliding scale in wages, based upon the price of coal. The

present price is to be the minimum, and for every rise in the price of coal above \$4.50 a ton, f. o. b., the miners are to receive one per cent. increase, and vice versa, except that the wages shall not be lower than at present, however low the price of coal may go.

The commission did not decide that the operators should recognize the national union, but it did decide that no discrimination shall be made against any laborer on account of membership or non-membership in any labor organization, and that the union laborers shall not in any way interfere with non-union miners. It further recommends a stricter enforcement of the laws relating to the employment of children in the mines, and suggests that the state and federal governments provide permanent machinery for making a compulsory investigation into labor difficulties similar to the investigation made by this commission. To this end, the commission expresses the opinion that, with a few modifications, the federal act of October, 1888, authorizing a commission to settle controversies between railroad corporations or other common carriers, could be made the basis of a law for arbitration in coal-mining disputes. But it expresses a very decided opinion against compulsory arbitration.

From the data furnished, the commission estimates that during the strike the mine-owners lost \$46,100,000, the laborers lost in wages \$25,000,000, and transportation companies lost \$28,000,000, making a total loss of \$99,100,000, all of which might have been prevented had this commission been appointed before the strike began, instead of after it had been continued twenty-two weeks.

The corporations may not be entirely satisfied with the findings of this commission, and the laborers may be disappointed that it did not decide in favor of union recognition; but everybody, both disputants included, must agree that it has rendered an invaluable service both to mine-owners, miners and the public. It has demonstrated that intelligent arbitration is possible, and that when a fair-minded commission is called to the task, seemingly irrepressible conflict may be adjusted, and that it may be adjusted much better by such a commission than by the ruinous methods of strikes.

The commission has further demonstrated, as is always the case, that no matter how much striking is done, no matter how much employers may lose and laborers suffer, or how much the public may be inconvenienced, the dispute has finally to be settled by reason and compromise. If the employers had succeeded, there would soon have been another strike, out of pure revenge. On the other hand, if the laborers had succeeded by the force of the strike, at the first opportunity the corporations would have tried to get even with them by reduction of wages or by other means.

As it is, both sides have honorably agreed to accept the award until 1906, and if the spirit of this compromise is carried out and the contract lived up to by both sides, the bad feeling engendered by the strike will have disappeared, and probably much of the distrust of unions by the mine owners will have been converted into confidence in, and respect for, organized labor. But much of this will depend upon the conduct of the laborers themselves. If the miners regard the findings of the commission as a union victory, and use it as a means of exercising offensive power, if they persecute non-union men, and otherwise violate the spirit of their agreement to accept the award, then they will destroy the confidence of the public, as well as intensify the distrust of employers in labor organization.

The work and the award of the commission is not merely a victory for organization, but it is a victory for peaceful methods of adjusting labor difficulties. It ought to satisfy employers and laborers alike that the true method, the final and only method of adjusting industrial differences, is by mutual conference and frank discussion of these differences by the bona fide representatives of all parties concerned. Nothing can ever be accomplished worth the having by either party's trying to browbeat and coerce the other. They are both too strong for that method. If both will accept the findings of this commission in good faith, and live up to the award until March 31, 1906, more will have been accomplished toward establishing peaceful methods for adjusting labor disputes than could have been accomplished by a century of strikes and blacklists.



## IS POVERTY AN OBSTACLE, OR AN OPPORTUNITY?

FRANK M. LIFE, B. S.

The article published in a recent issue of your magazine, and reprint in *Public Opinion*, in which an attack is made upon ex-Governor Black's statement, I regard as an extremely dangerous doctrine; and one which, if thoroughly and universally believed in, would work the destruction of the civilization which has made it possible for one to wield the pen for whatever he thinks is right. It would remove ambition from the humble and increase debauchery among the wealthy. It would lead to the extinction of democratic thinking and principles and exterminate the sentiment so essential for a republican form of government. It would plunge us into a condition in which we would invite, and even compel, a monarchical form of government, it being the only government for which we were fitted.

In the great iron strides of civilization from its primitive state, it is such agitations as this that have made progress so slow. Only one good effect can I imagine from such a harangue; that is, it may serve as a governor to prevent too great an extreme in the opposite view. It seems to the writer of this reply, in defense of the principles promulgated by the ex-governor, that the view taken by the author of the article before referred to, must have been very superficial and general, rather than deep, philosophical, and individual.

Granting this statement:—"The whole trend of civilization from the earliest times in every clime and country has been to get away from poverty, and every step away from poverty toward greater wealth, comfort, leisure and convenience has been and is a step toward higher civilization,"—it does not necessarily follow that those who were the greatest factors in advancing civilization were the persons whose wealth, comfort, leisure and convenience were the greatest. Far from this, they were persons who in early youth developed a strong physique, a sturdy character, a definiteness of purpose, and an unswerving zeal in whatever they undertook, by force of circumstances.

There being greater wealth in the land of their nativity than their forefathers could have boasted of, the artificial appliances for the development of civilization were greater, and they plunged into their task undaunted and unswerving on account of the manly character thus early obtained, and came out victorious. This is evidenced by a Jackson, a Lincoln, a Booker Washington, a Garfield, a McKinley, an Edison, a Greeley, and a large company of others who have been leaders in all departments of the complex machinery of the most advanced civilization.

All Americans citizens are born on an equality, and all American citizens have within their possibilities the attainments which are the highest afforded to man. Only a few, however, reach the place where they stand above the rest like a volcano above her monticles. History shows us that, largely, these are they who have started in the lowly walks of life. Character is the combined result of the victories of life, and he who has had most mountains to surmount, and has heroically surmounted them, has most builded into his character. He it is who will approach future difficulties and problems of civilization with more determination and confidence than he who has been otherwise schooled. Mr. Black has not put it too strong, but has uttered a truth as unalterable as man's nature in saying: "Give me the hut that is small enough, the poverty that is deep enough, and the love that is great enough, and I will raise from them the best there is in human character."

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The unexpected is constantly occurring, but that a professor in an institution of higher education should espouse the doctrine that poverty is necessary to the development of character, is the latest and not the least surprising announcement.

The article in our February number, on ex-Governor Black's speech, has been very extensively quoted and commented upon by the press throughout the country, and in many instances almost entirely reproduced; but it remains for Professor Life to defend the stultifying sentiment uttered by ex-Governor Black. It should be said for Mr. Black (as was observed in the article) that this false doctrine was more an

incident of his eloquence than an element of his thinking. Mr. Black does not believe in anything of the kind, and all his previous speeches and his whole life-action are against it. It was simply a flight of eloquence, which sacrificed his careful thinking to rhetorical rhythm.

But Professor Frank M. Life, with the zeal of a crusader, proclaims Mr. Black's poverty doctrine as "a truth as unalterable as man's nature." The striking and really remarkable feature of Professor Life's essay is that it is largely composed of fervid assertion. It reads more like the lurid warnings of a Cassandra, or the fanatical preachings of a Peter the Hermit, than the utterance of an instructor of American youth in the twentieth century. After characterizing the idea that wealth is a better character builder than poverty as "an extremely dangerous doctrine," Professor Life says:

It would remove ambition from the humble and increase debauchery among the wealthy. It would lead to the extinction of democratic thinking and principles and exterminate the sentiments so essential for a republican form of government. It would plunge us into a condition in which we would invite, and even compel, a monarchical form of government, it being the only government for which we were fitted.

It will be observed that this is a mere unsupported assertion. Professor Life does not hint at any time or place where any such dire results ever came from the people having too little poverty and too much welfare. When and where did democratic institutions ever fail, or despotism occur, because the masses were too well off? Are not the huts of the peasants in Russia, Poland, Austria, Hungary, and Southern Italy "small enough," and is not the poverty of these serfs "deep enough," and yet where is their ambition? Whoever heard of any ambition among these millions who have the poorest homes and the deepest poverty in the world? What element of modern civilization is the result of their effort or their ambition? They are the very embodiment of political and social serfdom. They furnish the great dull mass in Europe, from whence a spark of animation for freedom or higher civilization never emerges. Their indifference and dullness, the very meagerness of their



huts and the depth of their poverty, are the very source of the political despotism, economic sterility, and religious superstition that is arresting the march of civilization and free government in the old world.

Ambition among the working people arises only when their poverty begins to diminish, the huts to enlarge, and the standard of social life to rise. The wages that mark the income of the working classes are everywhere the true thermometer of political and social ambition and of the march of civilization. Wherever wages are fifteen cents a day or less, their huts are "small enough" and the poverty is "deep enough" to prevent ambition; hence political and religious despotism prevails, and the religion will be pagan. Witness Asiatic countries. Even Christianity cannot live on fifteen cents a day. Where wages are from twenty-five to fifty cents a day, paganism is superseded by Christianity; but political despotism still holds sway. The ambition to establish representative institutions can not arise out of twenty-five-cents-a-day citizens, as in Russia and Turkey. Where the wages are above fifty cents a day, so that the huts are larger and the poverty less deep, ambition for representative institutions and a measure of political and religious freedom asserts itself, and constitutional government, instead of absolute monarchy, prevails—as in Germany, Italy, and Austria; but where the huts of the masses are still larger and the wealth greater, represented by a dollar a day or more, as in England, ambition mounts still higher, and the democratic spirit begins to assert itself in political institutions, and religious and personal freedom pervades the whole social life of the people. When the hut is supplanted by a six-room house, with carpets and upholstered furniture, and the wages are two or more dollars a day, as in the United States, then the ambition of the common people becomes an irrepressible force, which inspires and maintains democratic institutions, and creates personal and religious freedom through every fibre of society.

There is not an instance recorded in history where either the religious, social, or political freedom of a country was promoted by the depth of the poverty or the smallness of the huts of the common people. Small huts and deep poverty mean

social squalor, increased superstition, and slavery. They are the enemies of the human race. It is to abolish the "small hut" and the "deep poverty" that every invention, every new idea of freedom, and the development of sanitary and mechanical sciences are desired. Any nation whose huts should grow smaller and the poverty of whose people should grow deeper would be known to all mankind as a nation receding toward darker barbarism.

The one thing of which this country is proudest today is that its people have more wealth, have replaced the small huts by houses that can properly be called homes, and have more material and social welfare than any other people. That is the sign of our great advancement. It is the badge of our position in civilization. It is that fact that made our soldiers so superior to the ignorant, poverty-stricken Spaniards, whose huts had been "small enough" and poverty "deep enough" to make them superstitious, stupid, and inefficient.

If the "smallest huts" and "deepest poverty" furnish ambition, character, and a freedom-inspiring spirit, why are the poor whites and the equally poor negroes of the South so near dumb beasts in the lack of ambition, energy and character? Why are they confessedly unfit to exercise the duties of citizenship? It is because their "huts have been small enough" and "poverty deep enough" to prevent them from having any opportunities that inspire ambition, stimulate ideas, and develop character. It is the elevation of these people from the small huts and deep poverty that is the first and great task to be accomplished in the South.

If the youth of Indiana could be sufficiently saturated with the doctrine of Professor Life to control the policy of the state in the direction of making the huts of the people smaller and their poverty deeper, Indiana would soon sink into barbarism, and the ambition of her people and freedom of her institutions would be a thing of the past.

## LOAFERS AND THE POLICE

WILLIAM HEMSTREET

A supreme court judge has touchingly protested against summary discipline, by the police, of loafers, although the former have been variously denominated "guardians of the peace" and "gentlemen in uniform." All that the learned justice recently wrote in the *North American Review* was, of course, good law, but the police authorities have already pronounced the publication a misfortune. Our hyper-sentimentality about the liberty of boors has made us on the streets a nation of boors, and brought about conditions described by the following quotation from a recent daily paper :

It is only a few days since an officer of the Butler Street Station, in trying to disperse a crowd of street loungers, was met with derision. "Soy," said one of the gang, "Gaynor has fixed all that; yez can't arrest us for lounging; see? Der ain't no such offense as lounging; Gaynor says so."

Society can never be run by logic alone, nor can the criminal statutes reach all the differentiations of human depravity. The state of New York has found it necessary from time to time to pile up in its statutes more than seven hundred enumerated misdemeanors, and, in addition, sections 385 and 675, which are penal fine-tooth combs to reach criminals in embryo. As overwhelming in number as these nuisances are, an officer cannot put his hand upon an offender without a magistrate's warrant unless he witnesses the offense. A young lady may, with indignation still mantling her cheek, alight from a car and tell a policeman that a loafer has insulted her, but, strange as it may seem, the officer can not, strictly under the law, do anything but pass on, twiddling his club; and no gentleman can summarily redress her wrong without liability for arrest for breach of the peace and to a fine and imprisonment. We have had magistrates who were glad to do just that very thing. A feeble and tottering old gentleman, bruised and bleeding, may go to a policeman and say, "There



is a ruffian who has assaulted me"; but because the officer did not witness the misdemeanor, and because the victim can not pursue his assailant for identification and location, upon which to base a warrant, the old school gentleman must swallow his chivalry, and wish he had gone oftener to the primaries.

In all forms of disciplinary government, whether civil, military, parental, patriarchal, or commercial, there are elements of personal will, discretion, impulse, instinct. ("Instinct is a great matter, Hal.") A democracy cannot govern personally, it must govern by its agents in whom inheres the personal will of the democracy. The statute book is not all of government any more than the chart is all of navigation. It must be infused with warm, living blood, and construed by the common sense of mankind, which will never harm anybody. God help the man or state that relies only upon printer's ink. No state will ever surrender the right to every man to be a law unto himself, under the strict statute. There is a higher guiding principle in society than the acts of the legislature. Technical law could be applied only in the millenium, when it would not be needed. This paradox is a clincher.

His Honor, Justice William J. Gaynor, always, with true democratic instinct, concerned about the liberties of the people, points out how, according to the statute and the rulings, the habit of our police in making arrests for misdemeanors not committed in their presence is illegal and dangerous, although it has always been followed in large cities. We should be in a sorry plight, in these large seaports, where we are overslaughed by hoodlums whom we treat very gingerly, giving them free baths and flowered parks to lounge in by day, so as to give them energy for revelry and burglary by night, if we had to sue out a magistrate's warrant for every offense. Of course, the offenders would obligingly wait for our return to serve the papers.

This law was founded hundreds of years ago, and where communities were sparse, where travel was not as ready and complex as now, where offenders did not get far away from their domiciles or business, and where people were known and could be easily found. Now and here, because of this retained

archaism, nuisances and misdemeanors have become as numerous as flies. A private gentleman or lady does not find it convenient to make an arrest, and thus go disheveled and hurtling through the streets with a jeering crowd. One of our new mayors was praised by the press for his resolute and exemplary act of "turning over" to a policeman a fellow who had used improper language on a street car. Of course nothing came of it, as there was no evidence before the sergeant at the desk. But the offender was put to the inconvenience and to wholesome discipline, although neither the mayor nor the policeman was sued for false arrest. An indecent picture in a cigar store window attracted a group of callow youths. Mayor Seth Low was complained to, and the picture disappeared in a few minutes; there was no judicial proceeding. Another complaint was lodged with the same mayor about a dog that kept blocks of people awake. That dog never barked there again. Outrageous despotism! What are we coming to?

To show the difficulty of the private citizen in attempting to correct these sandfly nuisances that make life miserable in the cities, requiring hard hearts and strong nerves to live here, let us cite another actual dog occurrence. A dog barked all night and Sundays, at every passer by, at every distant sound, at the cat on the fence, at the sick room or study light, and, when it had no object to bark at, it barked for its health. A widow was too timid to complain of anything but her head; a man said he was hard at work all day and slept soundly at night; another said the dog was an outrage, but he did not want to be set down as a crank for complaining.

This writer asked a policeman to protect the peace of the night. "Arragh, 'gwan now and git a warrant." I quoted section 385, N. Y. penal code, against "annoying the comfort or repose of a considerable number of people." The magistrate told me to go to the Board of Health. There they said I must swear it was detrimental to health. At police headquarters they did not know whether or not there is an ordinance against barking dogs, and referred me to the corporation counsel. At his office, they said the only way to find such an ordinance, if there was one, was to examine the minutes of the common council.

This writer has seen several flagitious acts of cruelty to horses go unpunished because the police would not arrest without a warrant, and many annoyances of the public by foul language with the same immunity. Here is a bad state of things. What is the remedy? *Salus populi suprema lex*. The colonel of one of our militia regiments berated a captain for not applying the colonel's summary discipline where not sustained by the military code. He said: "Oh, you are always talking about the law; let the men try on the law." So let hoodlums try on the law.

Conjuring up chimeras dire about our liberties is out of place in a country where the popular vote will quickly stop abuses of administration. We all must lose a little liberty, for the sake of social protection. Policing is a feature of government that is somewhat outside the statute. The authorities variously define it as "public order," "the *immediate* use of force compelling obedience to the laws as distinguished from *judicial remedies by action*," "preventing mischief," "etc., etc."

The following is suggested by one who has had thirty-two years' daily experience in criminology: The law should be so amended that a peace officer may arrest for a misdemeanor not committed in his presence, *and take along the complainant as a witness*. That would simply transfer to the patrolman some of the power that the committing sergeant at the desk now has, and put a misdemeanor on the same ground with a felony, a step rendered necessary by present conditions. This simple enactment would clear the air, as the notice against spitting in public places has almost entirely remedied that imported infliction.



## "EDUCATION IN THE PHILLIPINES": A REPLY

BURGESS SHANK

The American attempt to educate the Filipinos is "a monstrous, mortifying failure." To publish this statement is the aim of an article in GUNTON'S MAGAZINE for March by Theodore de Laguna, Ph.D., Mr. de Laguna is an American teacher at el Salvador in the island of Mindanao.

The only basis given for the startling announcement that begins this page is the statement that the Filipinos have become disgusted with the American schools and have withdrawn their support from them. There is no indication in the article that this disappointment exists and that support has been thus withdrawn except in the case of the schools of el Salvador.

The obstacles to our attempt to educate the Filipinos are represented as an impossible aim and plan; and difficulties due to local conditions, defective administration, and lack of character and preparation in the teachers.

Most of the information I shall use in this article comes of necessity from the experience of my wife and myself. Our town was the "division" headquarters and the home of the division superintendent, his deputy for that province, and their secretary, with all of whom our relations were most intimate. Many teachers naturally visited the superintendent and were often our guests. In the provincial normal school held during April we were in daily association with the majority of the teachers of the province, and we have maintained a considerable correspondence with friends among the teachers throughout the islands. These are my sources of information outside our experience.

Irregular attendance is the first obstacle to which Mr. de Laguna refers. Our province was the theater of war, of famine, and of pestilence during our year of service; yet I never heard of this difficulty from any of its teachers. It is literally true that it cost us considerable trouble to keep pupils out of our school, but none to keep them in. It was the custom of our boys and girls to come to school an hour before it opened in the morning, and to sit quietly in their seats and study till the

teachers came. One school in Laguna failed. It started well, with crowds of children; but it dwindled, and its teachers disappeared from among us.

School plants were practically unknown in the country. This was to be expected, but a plant is not one of the essentials of education. Garfield and Mark Hopkins could have dispensed with the historic bench even. A plant is desirable, however, and we found the community in which we lived ready to do all it ought and more to provide it. One teacher had a full and successful school in a dilapidated and abandoned church, whose sole furniture was bamboo poles on which the boys could sit while at their tasks. Another teacher began his work with no apparatus except a soldier's rubber coat, which he nailed to the wall, and some chalk with which he could write on its black surface.

The native teachers were Spanish trained and no better in educational insight and professional skill than their masters. They were also very few. I am familiar with elementary teaching, and the training of teachers; so is my wife. We are both convinced that there is a large proportion of "born teachers" among the Filipinos. It may seem incredible, but it is true; I know of several Filipinos who have in one year acquired enough of the English language and of professional skill to conduct a primary class in an American school with fair success. About twenty of the young women and men who formed our normal class last year are teaching successfully. Some of them are members of wealthy and cultured families, and are teaching from benevolence.

A normal school was held last year in each province during one month of the long vacation. The two in our division were crowded with enthusiastic young men and women, and were remarkably successful, although the cholera was raging all around us. Two Filipinos, a lady and a gentleman, taught in this school. They had been taught in a school formerly kept by Mr. E. E. Fisher, now deputy superintendent of Laguna. These people were effective members of the faculty; and their presence in the normal school was a great encouragement to the students, most of whom aspired to become teachers.

Mistakes were made. I believe that the department would acknowledge that it tried to get the work started in too much haste. The school statute called for the employment of 1,200 teachers. Dr. Atkinson appointed a few himself, but he soon found that the task was too large for one man to do quickly. Then college presidents and normal school principals were asked to make selections from among their graduates. I suppose that the task fell on subordinate officers of some of the institutions in the absence of their responsible heads. Certainly some of the appointments were "not fit to be made."

Mr. de Laguna mentions the isolation of teachers as one of the mistakes of administration that retarded the work; he is doubtless right. Teachers were sent in some cases where little or no intercourse with civilized men was possible. Such isolation of the teachers was a mistake, not only because their loneliness would make them less efficient, but also because no teacher can accomplish much permanent good in a community in which he is the sole element of civilization.

The government's failure to pay the teachers and other employees the salaries promised is inexcusable. To what Mr. de Laguna has well said on this theme may be added that the commission's course in this respect cost it much of the regard and loyal sympathy of the teachers as a body. Our losses came frequently and in considerable amounts; and we were kept in a frequently augmented state of ugliness and irritation. I do not believe, however, that the teachers taught less well on account of these wrongs.

The teachers are characterized as defective in character and training. Some of them had professional training and experience; some had one of these only, and some had neither. Of the last group, which included the youths just from college, those who were earnest got along very well. Not one of the teachers was uneducated. In respect to "learning, preparation, and ability to teach" they were no doubt superior to any other equally numerous gathering of American instructors.

Mr. de Laguna says: "The teachers were a regiment of carpet-baggers, come to exploit the country." It is difficult to regard seriously this astounding statement. If the author has



employed the insulting and unsavory epithet in ignorance of its meaning in American history there are those among the teachers from the southern part of our country who will instruct him. If he has used the term advisedly, he is grossly wrong. Take the case of his own college (and mine), Cornell. Does he expect his hearers to believe that President Schurman appointed men and women with the "carpet-bagging" instinct to go out to work for the uplifting of the people in which he has himself shown so much interest?

The truth is that the Philippine teachers are a body of ladies and gentlemen of high character, and usually actuated by the most excellent motives toward the Filipinos. There were some bad appointments. I believe that these have been rigorously weeded out. There was a great deal of missionary spirit among the body, but a teacher must everywhere be something of a missionary.

Mr. de Laguna points out well and truly the way we were embarrassed by not knowing the language of culture of the people. He shows that Spanish was desirable, not for use in teaching, but for communication with local authorities, etc.

These are the obstacles to Philippine education as Mr. de Laguna sees them, not inherent in the general aim and plan.

He has omitted the most formidable, and the one greater than all that he has named. This is the climate. The Philippine climate is, I suppose, rather better than the usual tropical climate. But it is, nevertheless, a heavy and ever-pressing burden. You never can draw an "exhilarating" breath. The air is always "depressing," never "stimulating." It is dangerous to life to work in the sunshine of the middle day. It is easy to get sick and hard to get well. All this goes to show that the climate is to be seriously reckoned with in all excursions of civilization into the tropics.

I think that the following brief statement is a fair and adequate expression of Mr. de Laguna's argument: The experiment in Philippine education with English as the chief element in the course of study is foredoomed to failure because:

The Filipinos have no need for English; hence they do not desire it; consequently they cannot learn it.

The little train of syllogisms formed by these three negative propositions is perfectly logical. Change the propositions to the affirmative form, and the series acquires the added advantage of being true, and the outline for the discussion of the argument appears :—

The Filipinos' need for English instruction ; their remarkable eagerness for it and the strong interest they exhibit in it ; the remarkable success with which their instruction in English has been attended.

The need of English in the Philippines is a part of the civilized man's need for civilization. Civilization is worth more than in 1521, when Magellan, sailing westward as Columbus did, encountered the Philippine archipelago lying in his path.

The Filipino understands (if Mr. de Laguna does not) that a native dialect, "containing no scientific term and no term new to the civilization of the last few hundred years," is utterly inadequate to his present needs, which include the acquisition by him of his share of the knowledge of the ages. It seems to be clear to him that one of the enlightened languages of the earth is necessary, if he is to take his place in the march of progress. Obviously, English is the language he needs. He sees also that the Philippines must have *one* language to be a nation.

American economical, political and social institutions must accompany American education in the excursion to the Philippines. Free, non-sectarian education is a requisite for that. There is nothing in the tropical environment to blight these great growths. There is a chance for the Filipino to get English. It is the first chance he has had, and he does not mean to waste it.

The Filipinos knew about the war with Spain, and how America expected to put Cuba on its feet. The arrival of Dewey and his easy victory aroused their hopes. In spite of the insurrection they have kept those hopes alive. Long before the insurrection was put down, the need of the people for education and their desire to speak the language of the Americans induced the soldiers to begin to teach them. Books were brought and schools established. Much of this work was well

done. The interest of our army has never been wanting in educational work ; although the relations between our civil and military leaders in the islands have sometimes been seriously strained.

One of the inducements offered to get teachers was that the people wanted them. This was a truthful representation. They were received with welcome in all cases of which I have heard. The peoples looked on us as their allies and counselors in their effort to uplift themselves. I know of but one act of violence committed against teachers ; and this was a murder perpetrated by outlaws. Superintendent F. T. Clark, of Rizal and Laguna, had many more applications for teachers than he could supply.

Filipino school traditions are Spanish. Among them is an unwritten law against the mingling of girls and boys or young men and women in school. In Pagsanjan, convention demanded "segregation" to such an extent that separate buildings were required for each sex. Few teachers and many pupils made co-education desirable. There was no difficulty in establishing it, notwithstanding the age-long prejudice against it. It was also the practice in both normal schools of the district.

Society in the Tagalog tribe is almost feudal in the extent of the social chasm between aristocrat and peasant. The peasants seem to be very like serfs ; but the relations and feelings of the two classes are more friendly than was the case in feudal Europe. In the schools, however , so far as I knew them, this social chasm was obliterated. Peasant and aristocrat sat side by side on the same bench.

Some of our young men preferred to remain in school rather than enter the civil service. Pupils came to the town from towns that had no teacher in order to attend the school. Leading citizens of middle age entered the school after it had been running some months, and were very successful students. Some of these were men of wealth and culture. They would meet daily an hour or two before class time at one of the stores and rehearse their English lessons. Pupils formed classes of their little brothers and sisters, and instructed them till the little ones were able to take their place in the school. Many pupils



also instructed their parents or other adults. I suppose there were always perhaps a score or more of such little schools running in the town. It was all done without our help or suggestion. Similar movements are common in other places. Soliders were induced, sometimes, I fear, for the basest consideration, to contribute to the instruction. There were soldiers, however, who helped without any compensation at all.

A private school for boys was kept up. Such schools were sometimes maintained alongside the American to provide for the religious instruction, which was, of course, excluded from the American schools. The teacher of this school became my pupil and friend. English, however, was an important element of his curriculum. This teacher had been an insurrection leader. In the latter part of the year he was employed to help hunt for the man who was then the leader of the insurgents.

As our schools grew and new classes had to be formed it was always possible to assign the time of the session regardless of anything but our own convenience. Aside from married women and the aged, everybody was ready to come to school at any time.

To refute the conclusion that the Filipinos cannot be educated with English as the basis, I shall enumerate some of the favoring conditions, to show that the task is not inherently impossible and that the experiment has had a satisfactory and hopeful beginning.

The capacity of the individual Filipino is apparently conceded. We are told, however, that it is a fantastic scheme to try to change the mother tongue of a people, as if the latter were another and somehow a more formidable task than individual education. It is not different in kind, but in magnitude. Spanish became the language of culture in the Philippines, in spite of the Spaniards having made themselves hated. Our attempt, being much more extensive and intelligent, and having a benevolent motive, must therefore be many times as effective. In this connection it is fair to ask why the Spaniards were so slow in civilizing and educating the Filipinos. One answer is that it was the Inquisition that accompanied the

conquest and occupation of the country ; while in our case it is the American public school that goes with the flag. America is doing more in years than Spain did in decades.

American educative energy is chiefly expended where culture has made a start. This was expedient, for the ratio of teachers to people is as one to five or ten thousand. The teachers are at work where they can do the most good. Relations between soldiers and people are friendly ; thus every soldier is to some extent a teacher of English.

To teach or to learn a language with a practical aim is much easier than when the aim is "educative or cultural." Interest is infinitely greater ; the organs of speech and the apparatus of understanding, including the ear, are much more fully exercised. The ways of presenting English to the Filipino mind are numerous and varied ; most are successful. The phenomenal interest accounts for that.

The Filipinos are very interesting. All classes and ages are far more cleanly in their habits than Americans or Europeans. Those we lived among appeared to be chaste. They are remarkably kind to children. I never saw a Filipino strike anyone. The children are bright, pretty and attractive. They used to visit us often at our home ; a group of little girls came, for a time, every evening while we were at supper. The readiness and ability which they could converse was often a marvel to our American guests.

To the Filipino nothing is impossible for the Americans. The history of our occupation of the country affords many examples of the tremendous potency of the American in material undertakings, and he expects American undertakings to succeed irrespective of their magnitude or difficulty.

The following additional facts are offered to show that the results of the experiment are satisfactory :

A thousand schools have now been running nearly two years, in which the language used is English.

Many thousand Filipinos have learned to understand, read, speak, and write English to a considerable extent. Thousands have been trained to teach the language, and many have been doing it successfully for more than a year.

The experiment has shown the people as a whole that they can get an enlightened language; that, so far as language goes, their aspiration to be a part of the enlightened world is an attainable aspiration.

In communities where schools have been established, one meets many persons, children and adults, who can carry on a tolerable English conversation.

There is no discouragement, so far as I know, after two years of effort.

Classes of little children, entering school for the first time, learned to read and write as much and as well as an American first grade class.

Young men and women learned enough English in a year to be able to write a better letter than most American adults.

Many Filipinos have been teaching English to their countrymen since the beginning of the work.

The first year's work culminated in the "Provincial Normal School," of which there was to be one in each province and which were to last a month. These were very remarkable institutions. Ours was held in the old governor's palace in the provincial capital. The pupils were nominally persons who expected to teach; actually there were many others who seized this chance to study some of the great branches of knowledge of which they had been hitherto deprived. We planned for fifty or sixty and we had one hundred and fifty. We might have had twice as many. The daily program for the students was the stiffest I have ever known, yet there was hardly any absence or tardiness. The subjects taught were English, literature, history, arithmetic, botany, geography, drawing, and music. There were compositions, examinations, map drawing, discussions, and debates. Nothing but English was heard, of course. I never saw pupils work so well nor progress so fast.

The American educational movement in the Philippines is a vast and a unique experiment—an experiment that has only just begun, and will require at least a generation to complete. Vast issues, affecting the future of millions of men, are involved. It would be wrong to predict failure, even if failure were probable. But it is success that is probable.



## THE FUTURE OF OUR MERCHANT MARINE

EDWIN MAXEY

Within less than a decade several events have directed the attention of Americans to their old dominion of the sea. Previous to the civil war the term "American invasion" would have been more properly applied to the sea than to the land.

The change from this position of preëminence in the carrying-trade of the world was not due to chance, but rather to the operation of economic laws. With the change in the material of construction from wood to iron, and in the means of propulsion from sail to steam, the United States was seriously handicapped by reason of the relatively high prices of coal and iron in this country. This handicap would have caused a decline in American shipping, even though the civil war had not contributed to this result. The two operating together came near driving our shipping from the seas. The recovery has naturally been slow, for up to within the last few years the handicap on material for construction and fuel for propulsion continued. In addition to this, the demand for capital in other directions was abnormal, and the plants for building iron and steel ships were wanting.

In the presence of an increased demand for American bottoms, it becomes important for us to inquire whether or not the above conditions still prevail; or if, on the other hand, present conditions furnish a foundation upon which we may base a reasonable hope of revival in our shipping industries.

As to the material for construction, we are no longer at a disadvantage. Our manufacture of pig iron and steel has, within the past decade, increased with such amazing rapidity that we now lead in the production of both. In respect to steel, we produce more than both of our two nearest competitors. And when we examine the conditions upon which this primacy rests, we are convinced that our leadership is not temporary, but permanent, and that the gap between us and our closest rivals will be an ever-widening one. Not only is our supply of iron ore far greater than that of any European country, but we have

more coal with which to smelt it than any other country has, with the possible exception of China. Coke, which within the past decade has become by far the most important fuel for the smelting of iron ore, can be produced in this country at half the European cost.

Our ores are richer and better adapted to the making of open-hearth steel, which is the kind best suited for ship construction, than are the available English ores. It is therefore not astonishing to find that, according to an English authority whose views are always worthy of consideration and respect, the cost of production of steel-ship plates, structural steel for beams, boiler plates, etc., is 20 to 25 per cent. higher in England than in Pittsburg, and that, according to Frank H. Mason, our consul-general at Berlin, the cost of producing steel in Germany is a trifle greater than the cost in Pittsburg plus the freight to Germany. Our advantages in the production of iron and steel have been clearly pointed out by a director of one of the leading steel mills of Germany:—

America far surpasses us in the use of iron and steel for building purposes. It is undeniable that American works operate under decidedly more favorable conditions of production than our own. An important factor in these conditions is the fact that the United States possesses far richer and more widely distributed iron deposits than Germany. While we are largely dependent upon imported ores, especially Swedish, the American iron works find their raw material at home. To this must be added the other important advantage, that the construction and equipment of their iron and steel works far excel those of Germany, and, indeed, every other European country. In America we find what seems to us an astonishing substitution of machinery for manual labor. Only in the most necessary details is hand labor now employed. Such a vast and skilful application of machinery offers especial advantages in a time like this, when manual labor is costly and difficult to obtain. Finally comes the enormous advantage which the Americans enjoy through the high development of their railway system. The industries have at their command a railway system which far surpasses in cheapness and efficiency of service anything known in Europe. The first sight of the tracks and equipment of an American railroad makes upon a German an imposing impression. Their freight cars of all classes far surpass in size and carrying capacity those of the German railways. Their track system is relatively broader and stronger than ours. Special tracks for freight trains secure

rapid, almost unbroken traffic. A widely developed system of branch and side railways (feeders) sustains the traffic of the principal lines. The rates for freight are excessively low. While on the German railways the cost of freight per ton kilometer is (excepting some unimportant special tariff) two and two-tenths pfennigs, in America the corresponding rate is only 0.6 pfennig per ton kilometer.

We have quoted this foreign authority at length to make it clear that our own views are not tinged too strongly by patriotic sentiment.

In these, as in other industries, the value of technical education is being recognized, and an increasing number of schools is being established and equipped to meet the needs. In an address at the opening of the Stevens Institute, February 6th, 1902, Mr. Carnegie relating the following interesting anecdote:

The technical school has given this country a class of young men the like of which are seen nowhere else in the world. I had a number of famous English iron and steel men at dinner not long ago. When one of them arose to drink my health, he said: "Mr. Carnegie, it is not your superior ores nor your great mills that impressed us most, but the class of young men you have in the iron industry here. We have no corresponding class in England."

As late as 1880 our imports of iron and steel, and articles manufactured therefrom, were five times in excess of our exports; while in 1900 our exports were six times in excess of our imports.

Our supply of timber for ship construction is so far superior to that of our competitors that evidence need not be submitted.

Our shipbuilding plants within the past few years have increased in number and capacity with marvelous rapidity, so that we now have between three and four hundred ship-yards, which will not, except in size, suffer by comparison with the best-equipped plants in England or Germany. Here, as in the steel mills, the application of labor-saving machinery in all departments has been developed to a point not yet reached in any of the ship-yards of Europe. As to machines of great power,



the one-hundred-and-fifty-ton revolving derrick "Hercules" at the Newport News yards is worthy of study. The yard is no doubt better equipped with steam and electrically operated cantilever cranes of the sort used in ship building than is any other shipyard in the world. The "Atlas" at the Cramp yards is the largest and most powerful floating derrick in the world.

That we have the capital to invest in shipbuilding plants is conclusively shown by the extensions made in the older plants and by the establishment of new ones within the last few years. We need but mention the yards of the New York Shipbuilding Company, at Camden, New Jersey, recently completed at a cost of more than a million dollars, and having a frontage of two-thirds of a mile on the Delaware river; the Eastern shipbuilding Company, of New London, Connecticut; the million dollar plant at New Orleans; that of Trigg and Company, of Richmond, Virginia; the Maryland Steel Company, at Sparrow's Point, Maryland; and the one now organizing, which promises a plant at Cape May, New Jersey, that will equal the one at Newport News. There is at present not less than seventy million dollars invested in steel shipbuilding, an increase of seven-fold since 1890. The United States Shipbuilding Corporation alone controls more capital than did all the firms engaged in shipbuilding at the close of the civil war.

A strong evidence of the healthy growth of our shipbuilding industry is to be found in the increased size of the ships recently built. The tonnage of the fifty-seven steel steamers built in 1902 exceeds that of the fifty-six built in 1901 by 38,260 tons, or just about 20 per cent. The largest ocean steamer yet constructed in the United States is the Kroonland, built in 1902. Her tonnage is 12,706, and she is the third steamer for trans-Atlantic trade built in the United States in nearly a generation. The other two, the St. Paul and the St. Louis, were built under the promise of a government subsidy contained in the postal aid bill, while the builders of the Kroonland proceeded without any governmental assurance of subsidy. The Finland, a sister ship of the Kroonland, was launched during the present fiscal year, but is not yet completed. The Korea, a steel steamer of 11,276 tons and of nineteen knots speed, built at Newport News in 1902, is the largest

and fastest merchant steamer under any flag on the Pacific. She is engaged in the trade between San Francisco and Hong Kong, touching at Honolulu. Her sister ship, the *Siberia*, is building for the same trade. The two largest cargo steamers yet built in this country, the *Shawmut* and the *Tremont*, also completed in 1902, are intended for the direct trade between Puget Sound and Japan, China, and Manila. The largest merchant steamer that has been launched upon the waters of the Pacific by any nation was completed this year by the Union Iron Works, San Francisco, for the trade between Hawaii and our ports; and it will be followed within a year by two sister ships. The three are equipped for the use of oil fuel, an interesting departure in ship construction, and one which, if successful, will prove of great advantage to steamers on the Pacific because of the relatively high price of coal at most of its ports.

The *Thomas W. Lawson* and her sister ship claim the distinction of being the first and only seven-masted steel schooners yet built, and are the largest sailing vessels in the world, except the *Preussen*. The *Thomas W. Lawson* was put into commission in 1902. On it the use of machinery in handling the sails has reached the highest point of development yet attained.

So much for our achievements and our prospects as a shipbuilder. What of our relative advantages and disadvantages as a ship owner?

With the steady tendency toward replacing sail by steam, the question of fuel supply becomes one of ever increasing importance; and, as coal is and for a long time will continue to be preëminently the fuel for the production of steam, the question of a country's coal supply is a vital one in an inquiry concerning our prospects as a competitor for the carrying trade of the world. In the production of coal we are now in the lead, having within five years surpassed Great Britain. Yet it is not the present output that is of the greatest significance, but rather the potential supply and the factors that determine price. While the 15,800 square miles of coal area of Great Britain, Germany, France, Belgium and Spain have practically all been laid under contribution, we have scarcely touched one-fourth of our

194,000 square miles of coal area. The average thickness of the veins in Great Britain is hardly three feet, and those of the continent are still thinner, while the bulk of our coal is taken from veins nine feet thick. This is a matter of importance, as determining not only the potential supply, but also the cost of production. Europe is already confronting the problem of deep mining, while for years our operations will be confined almost entirely to veins near the surface. In Great Britain, Germany, and Belgium, some of the mines have already reached a depth of more than 3,000 feet, while in the United States 400 to 600 feet are considered extreme depths. Before we are driven to rely upon mines of extreme depth, the coal fields of Europe will be exhausted.

As a result of the above facts, coal may be produced in the United States at one-half the European cost. Nor is that all, for the product of each miner is decreasing in Europe and increasing in the United States, while the cost of production is increasing in Europe and decreasing in the United States. Should the substitution of oil for coal become at all general, we should still be on an equal footing. In the matter of fuel, then, we have a decided advantage.

In the matter of wages, the odds are at present slightly against us. But this, while a factor of great importance, is, nevertheless, one of decreasing importance, for the reason that the crew, in relation to the tonnage of the ship, is decreasing in all countries, but more especially in the United States, because of the more rapidly increasing use of labor-saving machinery. Within the past ten years the efficiency of our seamen has more than doubled. According to the report of the commissioner of navigation for 1902 the efficiency of the American seaman is now nearly twenty per cent. greater than that of the Germans, who rank next. The rapid increase in the size of vessels will, therefore, make the question of wages a still less important factor. The Thomas W. Lawson furnishes a very good example of the effect of increased tonnage and the increased use of labor-saving machinery. This vessel requires a crew of but eighteen men, although its tonnage is more than 5,000; while the average crew on British sailing vessels is seventeen to every thousand tons, and on German vessels fourteen and three-tenths.



That we are not now without capital necessary for the owning of ships is proved by the fact that the steam tonnage engaged in the foreign trade of the United States and controlled by American capital increased from 424,000 tons in 1894 to 1,400,000 tons in 1902. If we add to this the 475,000 sail tonnage engaged in foreign vessels, it will be found that we have engaged in foreign trade a fleet larger than that of any other country, except Great Britain and Germany. If we include our coasting vessels, having a tonnage of 4,858,000, all of which are necessarily American, our merchant marine is second to that of Great Britain only. The International Mercantile Marine Company, an American corporation, is the largest and most completely equipped steamship company in the world. Its fleet numbers 136 steamers, whose aggregate tonnage is considerably more than 1,000,000 gross tons. The next largest corporation is the Hamburg-American, a German corporation, which owns 127 ocean steamers, having a tonnage of 630,000 gross tons. Next to this is the British India Steam Navigation Company, which owns 117 steamers of 361,695 gross tons. We are entirely within the facts when we say that the fleet of this one American corporation is, in all elements of efficiency, superior to the entire French merchant fleet of 690 steamers, and having a gross tonnage of 1,104,800.

Up to within a very few years we were severely handicapped by reason of a lack of coaling stations. Now, however, we have a decided advantage in this respect in the Pacific and are making rapid advancement in the Atlantic. The significance of this must not be overlooked. That the marvelous increase in our exports and our territorial expansion have had and will continue to have a powerful influence upon our merchant marine, does not admit of a doubt.

## EDITORIAL CRUCIBLE

HOLLAND HAS an effective cure for strikes. Promptly pass a law making strikes a criminal offense, have the queen sign it the same day, then call out the army—and there you are. Why did we have a republic?

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THE HON. DAVID B. HILL has informed a waiting world that the tariff shall be the issue in the next national campaign. Of course. Why should business prosperity be undisturbed, when the Hills and Cleverlands are out of office?

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THE CHAIRMAN of the Democratic state committee of New York, at the recent Tammany dinner, declared Mr. Bryan a "bolter." This is hailed by Democratic papers as a killing shot. It may be true, but in any war between the Bryan and Cleveland-Hill forces, a liberal amount of the dead will be found in the Cleveland-Hill camp. Mr. Bryan may not win, but he can guarantee that this faction shall lose.

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THE SPECIALIZATION of labor, which economists have long regarded as an unmixed benefit, seems to work great injury in the publication of a daily newspaper. In the New York *Times*, for instance, the writer of editorials appears to be so particularly specialized as not to be on speaking terms with the facts published in the news columns. Hence, in discussing protection, which he must always oppose, he has developed the habit of drawing upon his inner consciousness. In a criticism of President Roosevelt's talk to the farmers at Sioux Falls, the *Times* says:

The farmer of Dakota, if he does not sell his grain in Europe, sells it at prices fixed there in the lowest market of the world.

Probably this editorial writer has seen this kind of statement somewhere in free-trade literature; but it is untrue. England is the great grain buyer of Europe; hence, it is in England that the world-price for grain is quoted (not made). Since when was the English price for grain the lowest in the world? Not in fifty years. The truth is that the price of grain in London and Liverpool is always higher

than in this country. The editor of the *New York Times* would know this if he had consulted the market reports. He would see that in Omaha and Chicago the price is lower than in New York, and lower in New York than in London or Liverpool, for the obvious reason that these latter selling points are farther from the farms where the grain is raised. This is so obvious a matter of daily record that there can be no excuse for the editor's being unacquainted with it. Yet this kind of stuff passes in anti-protection literature of the country as reliable and even respectable reasoning on the tariff.

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THE PRECEDENT established by the Taff Vale case in the English courts, making trade unions liable for damages in case of a strike, has been followed by the courts in Vermont. The case in Vermont was the F. R. Patch Manufacturing Company against the Protection Lodge of the International Association of Machinists. The suit was to recover \$10,000 damages for injury to the business of the F. R. Patch Manufacturing Company, by picketing and boycotting during a recent strike. The case came up for trial on the 19th of March, and lasted seventeen days, the jury bringing in a verdict of \$25,000 damages for the plaintiff. This is the first decision of its kind in this country. In the Waterbury strike the corporations have instituted suits for damages, and have attached all the funds of the unions. This of course prevents the unions from using any of their funds for strike purposes until after this suit is disposed of. This is a new aspect of the legal status of labor unions, and also of the legal means of suppressing strikes. If the unions can be held responsible for damages for injuries inflicted during the strike, it will nearly always be possible to tie up their funds. Heretofore, it has been assumed that unions were not liable in damages because they were not incorporated. But this interpretation of the common law in England and in this country will make incorporation unnecessary by treating associations as legal bodies. This decision is almost as serious and as unexpected a blow to trade unions as the decision in the merger case is to the large corporations.



THE SPEECHES OF MR. CLEVELAND and Lyman Abbott at a recent meeting in New York, to raise funds for the Tuskegee Institute, indicate an increasingly rational tone in the East on the negro question. The speeches were pitched on the key that the suffrage is not an inherent or divine right, but a social privilege that should be accompanied by intelligent citizenship. Even Dr. Abbott, who announced that he represented the northern view, declared that education should precede suffrage. He said:

Suffrage must wait for education. Education is primary; political rights are secondary. We have tried the experiment of giving to the negro suffrage first, and education afterwards, and bitterly has the country suffered from our blunder.

If this rational view had governed the policy of the administration immediately after the war, much of the misery in the South, and the animosity between the North and the South, would have been avoided. The negro problem can never be solved by trying to create equality by legislation. Political equality, like social equality, and, in fact, all other relations in society, must rest upon character development. This is neither social nor race prejudice, but sound sociological doctrine. The sooner this view is recognized by the North, the sooner will the race feeling in the South become moderate and rational, and the negro question come within the purview of rational consideration instead of sectional and party animosity.

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THERE IS really no better standard for estimating the industrial progress of the nation than its internal trade and commerce. Some figures just compiled by the bureau of statistic throw light on the condition of the United States in this respect. After eliminating the duplication of handling goods by middlemen, reducing all commodities to one transaction, it is estimated that the internal commerce of the United States in 1902 was \$20,000,000,000. This estimate is based on the census figures of 1900, which gave the total value of manufactures at \$13,000,000,000; of agriculture \$4,000,000,000, and of minerals \$1,000,000,000,

making in round numbers \$18,000,000,000. Allowing for the increase during the last two years, it not unreasonably puts the present commerce at \$20,000,000,000. The rate of our industrial growth during the last half-century is indicated by the fact that in 1850 the internal commerce was \$2,000,000,000; in 1860, \$3,500,000,000; in 1870, \$6,250,000,000; in 1880, \$7,750,000,000; in 1890, \$12,000,000,000; in 1900, \$18,000,000,000. This shows an increase of 50 per cent. during the last decade, and an increase of 900 per cent. since 1850. During the same period the population has increased from 23,000,000 to 79,000,000, or 245 per cent. Thus, during the last fifty years the internal commerce of the country has increased about three and three-fourths times as fast as the population. During the same period foreign commerce has also greatly increased, though not so much as the domestic. In 1850 the total foreign trade (export and import) was \$317,885,252, and in 1902 it was \$2,285,040,349, showing an increase of about 618 per cent., or two and a half times as much as the increase in population.

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ON THE MORNING of April 13th, five non-union firemen arrived in Buffalo. As soon as the vessel they were on touched the dock a number of striking union men clambered on board and captured the five non-union men, and took them as prisoners to the union headquarters. The police officials finally rescued four of the men. The fifth could not be found, and one of the four had been terribly beaten. The presumption is that he resisted the kidnapers. This is the kind of thing that is getting union men into such bad repute. Of course the strikers could not be expected to feel friendly to the non-union men who were likely to take their places, but they can not be permitted to beat them nor to hold them in captivity. If unions persist in permitting their members to commit such violence against personal liberty, they may expect the public and the courts to join the employers in any effort to suppress or seriously restrict the action of unions. All these injunctions and suits for damages against unions are encouraged and made easy by just such acts as these strikers committed in Buffalo.

THE FIGHT between the two carpenters' unions in New York justifies the worst that has ever been said against labor unions. It is a sign of wanton indifference to public interests, and a malicious persecution of another union for the sole purpose of acquiring a monopoly of authority. This has all the vicious elements, without a single redeeming feature, of the worst form of monopoly. The Brotherhood of Carpenters and Joiners has become an arrogant, labor-persecuting and business-disturbing organization. This union has called out ten thousand mechanics, paralyzing some of the biggest constructive works in New York City, for the avowed purpose of crushing another union. Besides being instigated solely for persecuting purposes, this strike is a violation of the contracts the unions have made with the employers.

The American Federation of Labor and all local federations throughout the country should at once denounce this outrageous performance of the Brotherhood. If these federated organizations aid the Brotherhood, even by silence, they will justify any anti-union combination the employers may undertake. If a large corporation should attempt to pursue any such persecuting policy, it would not be tolerated a week. Either state or national legislation, or both, would be passed to drive it out of existence.

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IN THE RESOLUTIONS introduced by General Draper and unanimously adopted at its last meeting, the Boston Home Market Club expressed itself emphatically upon the questions of reciprocity and tariff revision. These resolutions, which are printed in full, in "Current Comment," in this number, declare unqualifiedly against reciprocity in competing products, and insist that "the producers of so-called 'raw material' are as much entitled to reasonable protection as the makers of finished goods." "This club," say the resolutions, "is not a political organization, and it considers no party entitled to its support which does not stand for the principles of protection as a national policy." This, together with the resolution, similarly emphatic, recently adopted by the American Tariff League, serves notice on the administration that if it expects



the loyal support of these two protection organizations, which represent the manufacturing interests of the country, the president and his responsible advisers must stand unequivocally for protection as a national policy. There is already a determination in certain influential quarters to organize an open revolt if the administration deserts or compromises the protection issue.

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THE SHERMAN anti-trust act has shown itself to be a very effective weapon, but we imagine that its use is likely to be limited to those cases where the combination method is productive of distinctly unpopular results.—*Boston Herald*.

There will be no attempt to enforce the Sherman anti-trust law except when the administration at Washington sees a prospect of gaining some political advantage thereby. That was the object of the suit of Attorney-General Knox in the Northern Securities case, into which he was "hounded" by the yellow journals of New York and the West.—*Hartford Times*.

There is probably a grain of truth in this; but what would the *Hartford Times* suggest should be done? Would it have the attorney-general repeat this process on all our corporations? That would undoubtedly give an effective demonstration of what fool anti-trust laws can do, and it might incidentally drive the present administration into political oblivion. This would probably fill the *Times*' cup of joy to overflowing. What is a little thing like wrecking the business of the nation, compared with getting one's political party into power?

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THE NEW IRISH Land Bill marks another epoch in English politics. For twenty years the Liberal party has been the champion of the Irish cause. It has been out of power a decade because of its position on the Irish question, and now the Tories, to brace their declining popularity, have captured the support of the Irish parliamentary party by introducing a more radical land bill than the Liberals ever dreamed of. (In this country that would be called a "political flop"; in England it is dignified "Tory statesmanship." How similar politicians are the world over!)

## QUESTION BOX

### Effect of a Shorter Day on the Cost of Living

Editor GUNTON'S MAGAZINE,

Dear Sir:—In answer to "S.E." in last month's magazine, you say that "the general adoption of the eight-hour day would at first tend to increase the cost of production, but in this respect it would be exactly equal to an increase in wages."

(1) From the employers' standpoint, a shorter day would be equivalent to an increase in wages; but the laborer may not regard it in that light. Certainly a shorter day gives the workman more leisure, greater opportunities for social cultivation, creates new demands, and tends to increase consumption; but how can these new desires become satisfied, or greater consumption be accomplished, if his wages are not at the same time increased in proportion?

(2) If a shorter day tends to raise our standard of living, then a still shorter day would have the same tendency, providing wages are increased in like proportion. If the work-day limit be placed at eight hours to-day, why could it not be reduced to, say, six next year, or in a generation?

(3) Is it not likely that when the great corporations and associations of employees become so perfected and production so centralized, a general increase in wages resulting from the demands of trade unions will be added to the price of manufactured goods?

(4) Does the increase of wages, which the anthracite miners are now getting, come out of profits of the employers, or does the consumer pay it?

(5) If the cost of production is the controlling element in price movement, do you think that the time will come when an increase in wages will be an increase in the cost of production, and shifted over to prices, and so cause real wages to be no higher than before?

Toronto, Canada.

WORKMAN.

(1) It should be remembered, in considering this whole wage question, that the wages go in groups and not by individuals, except in industries where the laborers are scattered. When the hours of labor of any class of workmen are reduced, the first effect is upon their tastes and habits. They begin to want more things of some kind or other, and their tendency is to spend more in some new direction—it may be in clothes, books or theaters. This creates a pressure upon some other source of expenditure, which sometimes causes a shortage, and this leads to discontent, which results in a demand for increased

wages. The influences that impel a movement for higher wages are always slow and more or less unevenly distributed. That is why some laborers are much more active in demanding higher wages and in organizing unions than others. But it is when the feeling of discontent of the few is extended to the many, or larger portion of the group, that the demand for the wages comes. The increase of wages very seldom comes simultaneously with the reduction of hours. It is just the same with wages as with anything else—the supply is the result of the demand. An increased demand for cotton cloth will cause more factories to be built, but not instantly. It is only after a shortage has been experienced and the pressure of demand upon the supply has become seemingly permanent, that new capital invests in the industry to increase the supply. That same principle obtains in wages. If the higher standard of living comes, whether through shorter hours, education, or any other cause, the effect is just the same; it results in higher wages.

(2) Shortening the working day, like any other new experiment in society, must be done gradually in order to be beneficial. A very large increase of wages at any one time would probably be injurious to the community. There is probably no nation in the world that could stand having its wages doubled at once, for the reason that it would lead to dissipation. That is in accordance with the same principle that expenditures, and hence wages, are mainly governed by the standard of living. The standard of living does not suddenly double, and if the wages suddenly doubled they would probably be spent for things for which there had been no normal or habitual demand. In many cases it would result in idleness, in some it would result in dissipation in various forms. In some instances, of course, it would not be injurious. The reduction of working hours, very much at a time, would have a similar effect. Instead of developing a higher standard of living, it might develop dissipation and a lower standard. For instance, if the ten-hour day were cut down to five hours, in a large majority of the cases it is quite likely that the extra five hours would not be used as helpful leisure, but rather wasted



in debasing idleness. This would<sup>a</sup> not raise the standard of living, and therefore would not increase the wages.

(3) No. The two pressures, the pressure of wages and the pressure of the consumer against higher prices, tend to keep an equilibrium. Wages will undoubtedly continue to rise. The more gradual, the longer the rise will continue; but this is not likely to result in permanent higher prices, because any material rise of price lessens the consumption and restricts the market, and this acts disastrously upon large capital. As wages rise and the market enlarges, the effort of capital is to increase the output at a smaller per unit cost. If producers raised the price they would defeat this particular movement. It is because they want to increase the output without increasing the cost of production, that so much experimentation is made in devising new machinery. It is because they cannot keep the market from diminishing, that they are compelled to secure their profits by improved methods. Those are the two lines of progress.

(4) Partly both. Coal is slightly higher, and to that extent it comes out of the consumer. The remainder comes out of the profits, and it will continue to do so until the mine-owners devise new economies, either by new machinery, or better organization, in which there will be less waste.

(5) The same principle holds here as in the other cases. Wages are kept up by the cost of living, and prices by the cost of production. All the movements of civilization that tend to improve the condition of the laborer add to the cost of living. This makes labor cost more. If the methods were the same, that would increase the cost of production; but this very fact brings larger consumption, and often the consumption of entirely new things. The first effect of this is to lessen the profits, and the very lessening of profits compels the employer to try to replenish them. This he can only do in one of two ways—either by putting up the prices, or by some improvement in his method. As already explained, if he attempts to put up the prices he will lessen the market and neutralize the effect. Some of the old-fashioned ones will do this, but the enterprising ones will do so

by better organization, larger corporations, or some other improvement. It is in response to this influence that new inventions are adopted, trusts are formed, and new devices of all kinds are introduced into production. If profits could be insured, there probably would never be any improvement in method. When the laborers become hard-pressed to make their wages go round, they struggle for more pay. When the capitalists become hard-pressed because profits are diminishing, they begin to make new demands upon nature, and they have to turn to some kind of improvement in order to accomplish it, and this is the way it comes about that we can have, and have had for a hundred years, a comparatively steady rise in wages, and, on the whole, a fall in prices.

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### Public vs. Private Ownership

Editor GUNTON'S MAGAZINE,

Dear Sir:—You oppose municipal ownership and operation of public utilities on the ground that public management would be characterized by lack of initiative, and would be less enterprising and less economical. At the recent national municipal convention held in New York City a delegate to that convention, Charles R. Bellamy, general manager of the Liverpool Municipal Tramway, in the course of an address advocating municipal ownership, declared that the Liverpool experiment had been advantageous to the public in all respects; and, in support of his statement, cited these facts: "We had inadequate service, high fares, horse traction, and unsanitary cars. We purchased sixty-eight miles of tramways, made scrap iron of the entire equipment, and installed electricity and all modern improvements. We reduced fares, and gave employees shorter hours, free uniforms, and more pay. We increased the number of passengers from 38,000,000 in 1897 to 109,000,000 last year, and the receipts from \$1,295,000 to \$11,000,000. We paid all charges and had a reserve of \$2,431,000 left." Other cases were cited of the advantage of public ownership. What is your answer?

W. W. STUART,

Los Angeles, Cal.

Granting that this showing is strictly correct, it is not at all surprising. It is very much as if a cotton factory, still using hand-looms and spinning-wheels, should be bought by the city and equipped with modern machinery. Of course the improvement would be marvelous. The wonder would be that the factory with old machinery could have lived at all. It is

more than probable that the Liverpool Tramway Company, using horse cars, could not have remained in existence at all had there been any competition with a modern equipped method of transportation. Of course, the service was poor, the fares were high, and the travel was light, with an equipment fifty years behind the times. It is not surprising that immense economy was shown and increased traffic obtained when electric equipment was put in the place of the old horse car outfit. This would have been the result, whoever had made the change.

There is nothing whatever in this to show the superiority of public ownership over private ownership. The particular instance shows very bad private management; but this is not at all typical, since throughout the United States the electric equipment has been evolved and perfected, as well as adopted, by private enterprise. All the virtues that there are in electric trolley cars are attributable to private enterprise, for not a single experiment has been made under public ownership. Our criticism on public ownership is not that it could not manage an already developed and equipped system, but that it is not likely to develop improvements through costly experimentation. All the influences that control political administration tend to prevent the immense expenditure and risk involved in developing and perfecting methods. Government or collective ownership never did that, and, in the nature of things, it never would be likely to do it, except in the most reluctant and piecemeal fashion. It is only private enterprise, the resourceful investor, who can see the fraction of one per cent. gained, and who will risk his fortune in making changes that have always produced these great improvements. It is probably true of any industry that, if it were handed over to the government with existing management, it would go on, and perhaps save money at first, because the profit-producing methods are already established; but it is when improvements are needed that the lack of progress shows itself in government ownership. The English telegraph is an illustration. In 1870 the government bought the whole telegraph system for \$50,000,000. Under private enterprise the telegraph system had been paying dividends. The first year it earned profits. In 1871 the profits



were very much diminished, and in 1872 there was \$771,036 deficit, and every year since there has been a deficit, that has to be made up out of the taxes. The deficit has equaled seven cents on every message sent over the wires.

The people of Lancashire, England, had a similar experience in the co-operative manufacture of cotton cloth. Some of the leading cotton factories in Oldham and Bolton were managed on the socialistic plan, the management being elected by popular vote. At first they worked well enough, but very soon began to fall behind in competition with private enterprise, and to save them from bankruptcy they had to be converted into joint stock companies, that is, to be transferred from public to private management.

In order to show that public management is superior to private management, it is not enough to show that larger dividends are derived from using the best already established methods. If the future is left out of consideration, that could be done in almost any modern manufacturing plant; but the test of superiority is in leading in the race of experimentation, development, and adoption of superior methods. Public ownership has not shown the first symptom of superiority in this respect.

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### What "Stock-Watering" Really Amounts To

Editor GUNTON'S MAGAZINE,

Dear Sir:—Is not overcapitalization, or stock watering, chiefly an evil because it so greatly exaggerates the normal basis of profit earnings? That is, by capitalizing right up to the limit of possible earnings in the height of prosperity, no margin of safety is left for dull times; and any business decline means a string of immense failures with business panic and depression in their wake. For these reasons, is it not of great importance to keep the basis of capitalization somewhere near at least the actual market value of property, cost of organization, etc.?

M. E. R.

Yes, it is safer business policy to keep capitalization somewhere near the actual value of the property, but the value of the property cannot be estimated on the mere cost

of constructing the plant. Earning capacity is the real basis for estimating the value of any productive concern. I do not mean earning capacity at the top of a boom-wave, but earning capacity under normal conditions.

Now, the earning capacity of a concern may consist of other things besides mere machinery. Take, for instance, the Carnegie concern. A new plant could undoubtedly be erected for much less than the Carnegie plant could be bought for, but a plant exactly like it, as a competing concern, would not have the same earning capacity. The success of the Carnegie firm has earned for it a reputation which is worth nearly as much as the plant, and perhaps even more. Its position and reputation are a guarantee for many things in the world market that a new concern would not have; it could command business where a new concern could not. This is what has been known in the business world for generations and even centuries as "business good-will," which is a distinct economic earning-element having a concrete market value. Every concern that ever sold out, put a value on its stock and actual investment, and a value on its good-will,—meaning its business connections and reputation.

If the United States Steel Corporation had taken the same money that it spent in buying established plants and put it into new plants, it would probably have had to spend all that it did not actually cost to erect the plants in various forms of advertising and experimentation to get business, and in all probability would have had to spend more, before it reached the point of getting its present business. The so-called "stock-watering" does not affect the productive or profit-earning capacity of the concern, but it does sometimes mislead investors, and if the capitalization has been excessive it may reach the no-profit or very low profit earning point. That will tend to depress the securities in the market and may lead to disturbance of business confidence. But to insist, as some of the bills now before congress do, that the corporations shall not capitalize for more than the actual cost of erecting their plants is economic idiocy.

## BOOK REVIEWS

THE SOCIAL UNREST. By John Graham Brooks. Cloth; 394 pages. The Macmillan Company, New York and London, 1903.

Few men have had better opportunities for noting the social unrest during the last fifteen or twenty years than Dr. Brooks. He has spent a great deal of time in Europe, studying the labor and socialist movements; he has familiarized himself with every industrial center in this country, and has delivered hundreds of lectures on the different phases of the subject. He has had access alike to the drawing-rooms of conspicuous employers and the meeting-rooms of laborers and reformers. He has also made special investigation into the labor experiments and the socialistic and trade union movements. He is, therefore, one of the best-equipped men for writing on this subject.

With all this wealth of material, and with his experience as a student and lecturer in mind, one takes up his book with the expectation of finding a constructive philosophic treatment of the subject. All such are doomed to disappointment, for that is exactly what the book has not. No book was ever truer to its title, and all who would learn of the social unrest should read it. In this respect it is unique, for it is all unrest. The evidence is manifestly drawn from the author's personal observations in his travel and intercourse with labor leaders, social prophets, and capitalist employers. This fact makes the book much more interesting than it would otherwise be.

Notwithstanding, however, that it is filled with fresh and comparatively first-hand material, and is written in Dr. Brook's best style, it is impossible to arise from the reading of it without a feeling of disappointment that an author so freighted with material should not have contributed more to the constructive philosophy of the subject. His description of the social unrest is so vivid at times as to make one almost feel unsafe in going to bed, for fear that orderly social institutions will have disappeared when he wakes. And yet, any one at all



familiar with modern industrial history will realize at once the probable truth of everything here presented.

If one is disposed to get too much alarmed by the disquieting influence of the book, he may find some consolation in the descriptions of the social unrest in the early part of the century. Here the author gives abundant quotations from the great men of this country in the first quarter of the century, to show that they were more alarmed by the idea of democracy than the most pessimistic today are by the idea of socialism. He shows that Thomas Jefferson was much more feared and that he was quite as bitterly denounced as Debs and Bryan are today.

In his presentation of the various phases and symptoms of social unrest in Europe and this country, one is struck with the socialistic flavor of it all; not that Dr. Brooks himself shows any definite sympathy with socialism, but nearly all his descriptions and quotations from others and the conversations related have a socialistic flavor that he takes no pains to correct. So, too, in introducing labor leaders. He selects those who describe our present political conditions as festering such corruption that it is surprising that society holds together. While all that is said may be true, it cannot fairly represent our political conditions, else the republic could not endure. After most vivid pessimistic pictures of this kind, the author says:

With tiresome uniformity, this is the story of other cities. No body of citizens has shown a readier wit to discover these facts than the trade unions.

He might have added, with entire truth, that no body of citizens has shown a readier wit to magnify and exaggerate this state of things, and to believe that similar facts exist where they do not, than trade unions. But the Doctor leaves it there, as if the trade union estimate of the integrity, or the lack of it, in our political and industrial institutions, is a rational and just estimate. This flavor runs through much of the book. Yet the reader does not receive the impression that the author is biased; on the contrary, there is an open frankness so charming that it at once inspires confidence.

If Dr. Brooks's purpose in writing this book is to arouse the too optimistic and indifferent well-to-do people in this country to an interest in the growing social questions by giving them the impression that a crisis is impending and society is at stake, he has succeeded remarkably well. It may be that just such a word is needed to reach a very large class in the community, and if Dr. Brooks can be the messenger to convey that word, he has done a good work; but in the hands of those socialistically inclined and not well-informed as to the real condition and tendency of things, the book may well be regarded as a confirmation of, and stimulant to, the faith and efforts of the socialistic movement. To be sure, the author makes an admirable presentation of the difference between the old socialist and the new, the difference between the revolutionist of the past and the reformer of the present; but even there the manifest outcome is the modification of present-day conservatism by the influence of aggressive socialism.

Dr. Brooks is enough of an economist, an observer and student of every-day facts, to be able to see that no phase of economic and political life is all bad; that the wage system has its virtues, the middle-man has his uses, and that the capitalist is a veritable contributor to civilization. He is the advocate neither of socialism, nor individualism; he bubbles over with humane sentiments and an irrepressible desire to see the social betterment of the masses; yet, although he refrains from presenting any theory to promote the social advance, the conclusion is irrepressible, that he expects much and perhaps most in this direction from the growth and influence of socialism.

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INTEREST AND EDUCATION. *The Doctrine of Interest and Its Concrete Application.* By Charles DeGarmo, Professor of the Science and Art of Education, Cornell University. The Macmillan Company, New York and London, 1902.

Professor DeGarmo takes as his motto the saying of Dr. Schurman, "Interest is the greatest word in education", and announces it as his purpose "to make a concrete application of the doctrine of interest to the matter and methods of education." It is well to remark that the "interest" dealt with is not the

mere interest of the scholar in his daily studies, but the deeper interest in the objects and aims of these studies, and indeed of his entire life-training. It has in view, not so much the means or the path, but the goal.

Interest arises primarily, says the author, from the activities put forth by men to secure the requisites for their physical survival. Consumption of goods produces satisfaction and renews energy for further production. Pain arises only when energy fails, or when that which should conduce to the survival of one individual is forcibly diverted to another. Drudgery as a permanent status of a people is the offspring of serfdom.

But clearly this is not everything. There is something more important than mere physical survival, or, as expressed by the author, "a more adequate conception of the group of physical states known as impulse, desire, interest, volition, is that the self is seeking through its own activity to express or realize itself."

This idea is expressed more fully later:

This mental activity, taking root first in the instincts and impulses of the physical nature, and developing into conscious desire for the realization of certain ends, is at bottom nothing but the effort to express self in accordance with the varying ideals implanted by physical nature or developed by growing insight into the ideal nature of the man.

He thinks that the present method of teaching is responsible for what he calls "culture-degenerates." He classifies these as "intellectual aristocrats," who prate about art for art's sake; as the creatures we call dudes, "whose inheritance of culture has eclipsed their intellects;" "academic paralytics," who are the professional educators; and "digestive paralytics," or men "whose systems must be nourished by milk and regulated by tablets."

The author believes in a life of strenuous intellectuality. He thinks the education that is most desirable is that which tends to promote activity; but "not so much the courage of the battlefield, as the courage that gives self-control in the use of wealth an industrial society produces." His conception of "in-



terest" includes a very broad ideal of our national importance, and he thinks that "nothing but ourselves can prevent our country from becoming the world's center of freedom, well-being, peace, and power." This idea seems slightly tinged with "imperialism," but, instilled into the minds of the generations as they arise, it would certainly produce the ideal that the professor so dearly cherishes.

How is this emotion of "interest" to be implanted in the mind? After urging upon teachers the importance of "vivifying immediate ends," of possessing a charm of manner, of making significant great masses of ideas, so that they may appeal to the young, and the importance of arousing the native powers of the mind, he sums up by saying that "the teachers who would help to build up a permanent group of life interests in the pupils must recognize to the full extent the native curiosity of the mind."

"The value of the doctrine of "interest," as defined in Professor DeGarmo's book, can hardly be overstated, and all instructors of the young will find abundant suggestiveness and assistance in this book. Especially valuable are the concluding chapters on the Art of Questioning, and Interest and Thinking. "To question well is to teach well," says the author. We all know how terribly effective Socrates made the art of questioning; how, by acute inquiries, he forced his adversary to listen, to answer, and to confess; and how the modern lawyer or cross-examiner is able to extort truth from the stubborn witness more effectively than was accomplished by the methods of the rack and the thumbscrew. If the question be well put, it must be answered. Silence is impossible; and to answer requires attention and interest. Professor DeGarmo has made a distinct and immensely valuable contribution to the literature of education.

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THE MEMOIRS OF PAUL KRUGER, four times President of the South African Republic. Told by Himself. The Century Company, New York, 1902.

This book is invaluable to every student of the history of South Africa and of the British Empire. While the rugged

personality of "Oom Paul" shocks our tamer natures, yet his career has been so remarkable in its heroic incidents in the desperate struggle for the supremacy of the white race against the Kaffirs and wild beasts, and in the still more desperate struggle against the English gold-seekers, that it must always occupy a large place in history. No matter what may be the individual or national point of view, it must be considered that in the Boer war human courage and resource rose to the highest point that has yet been attained in the battles of the world.

There is very little of a personal nature in the book. A brief narrative is given of young Kruger's life in the early days of the Transvaal, filled with hunting incidents that reveal unfailing courage and resourcefulness. Beyond this, everything is official and bears upon the quarrel with England and its terrible catastrophe.

One of the most striking incidents narrated in the book is where Kruger replies to the British demands at the famous meeting at Wonderfontein:

One of the Burghers thought that the time had now come to seek to obtain from the British government by force what they were not inclined to give of their own free will; but I explained to them that the time had not yet come, and was supported in my endeavors to maintain peace by Joubert and Pretorius. A Burgher stepped forward and said:

"Mr. Kruger, we have been talking long enough; you must now let us shoot the English."

I asked him in reply:

"If I say, '*sah*,' will you bite? And if I say 'bite,' will you hold tight?"

*Sah* is the Dutch word for urging on a dog.

The late war is dealt with purely from an official point of view. Its issues are too definitely settled to be of any living interest at this time; but Kruger's book is necessary to a thorough understanding of the causes that led up to this war, and to the relations between England and the South African republics. The Boer president shows clearly the complicity of Chamberlain in the Jameson raid, and in the ambitious schemes of Cecil Rhodes. No matter what verdict history may pass upon this episode in Mr. Chamberlain's career, his own nation

has excused his actions, and is quite willing to accept the fruits of whatever guilt may be laid at his door.

Any one who takes up the memoirs will read to the end, with the consciousness that he is reading the intimate history of a race conflict, told by the most conspicuous figure in the terrible drama and the most remarkable man that Africa has produced since Hannibal.

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TEN MONTHS A CAPTIVE AMONG FILIPINOS. By Albert Sonnichsen. Charles Scribner's Sons, New York, 1901.

A great many books are some of the fruits of the American conquest of the Philippines. Few of these will be found of more interest than this narrative of a ten-months' captivity among the Filipinos.

The volume is especially valuable as describing conditions among the Filipinos both in civil and military life immediately preceding and during the American war of conquest. One of the most striking effects of the book is its revelation of the prosperous and happy life in the towns and country around Manila that were afterward completely devastated by the American troops. It seems almost incredible that what two centuries of war with Spain had spared, should have been blasted by the torch and shells of an American army in a few months. Mr. Sonnichsen's conclusions, after months of his personal experience, are best told in his own words:

I had experienced much hardship, even much suffering, in that land, but when I compare my experience with that of others in similar situations during our own Civil War, say, Andersonville of the South, or Rock Island of the North, held by their own race and nationality, then my resentment vanishes. Those who have come in sufficiently close contact with the Filipinos to know them, and are enabled to judge them without racial or national prejudice, can not but admit that they are as entitled to be called civilized as other nations, and even more so than some whose representatives we receive at our capital and accord the same honors as those of the most polished nations. Considering the chances they have had, or rather not had, and who their teachers were, the Filipinos have certainly behaved as well, if not better, toward their prisoners than other nations have done in recent wars.



## NEW BOOKS OF INTEREST

*Financial History of the United States.* By Davis R. Dewey. The Century Company, New York.

*Memories of a Hundred Years.* By Edward Everett Hale. 2 vols.; cloth; price, \$5.00. The Macmillan Company, New York and London.

*Crime and Social Progress.* By Arthur Cleveland Hall, Ph. D., Fellow in Sociology, Columbia University, 1894-95. 427 pages. The Macmillan Company, New York and London.

*The Government of Maine.* Its History and Administration. By William MacDonald, LL. D. Cloth, 263 pages; price, 75 cents. The Macmillan Company, New York and London.

*Some Ethical Phases of the Labor Question.* By Carroll D. Wright, Ph.D., LL.D., United States Commissioner of Labor. Cloth, 207 pages; price, \$1.00. American Unitarian Association, Boston.

*The Spirit of the Ghetto.* Studies of the Jewish Quarter in New York. By Hutchins Hapgood. With drawings from life by Jacob Epstein. Cloth, 312 pages; price, \$1.35. Funk & Wagnalls, New York and London.

*American Navigation: The Political History of Its Rise and Ruin and the Proper Means for its Encouragement.* By William W. Bates, Author of "American Marine." Cloth, 466 pages; price, \$3.50. Houghton, Mifflin & Company, New York and Boston.

## CURRENT COMMENT

**The Coal Strike Commission Report** When we deal with such a subject we are fortunate in having before us an admirable object lesson in the work that has just been closed by the anthracite coal strike commission. . . . Their report was made just before the senate adjourned at the special session, and no government document of recent years marks a more important piece of work better done, and there is none which teaches sounder social morality to our people. The commission consisted of seven as good men as were to be found in the country, representing the bench, the church, the army, the professions, the employers and the employed. They acted as a unit, and the report which they unanimously signed is a masterpiece of sound, common sense and of sound doctrine on the very questions with which our people should most deeply concern themselves. The immediate effect of this commission's appointment and action was of vast and incalculable benefit to the nation, but the ultimate effect will be even better, if capitalist, wage-worker and law-maker alike will take to heart and act upon the lessons set forth in the report they have made.—*President Roosevelt at Sioux Falls.*

The ten per cent. increase can be taken, I suppose, as being in favor of the miners, although percentages are great delusions.

One of the greatest points in favor of the miner is the recommendation for the withdrawal of the coal and mining police, who are responsible for most of the trouble that occurs in the mining regions.

The lessening of the working hours for engineers, firemen, and other workers is a great point in favor of the miners. The ruling against child labor is also in favor of the miners. The requirement that companies pay the laborers of contract miners is a safeguard against unfair treatment, and is favorable.

The section in which the commission takes grounds against compulsory arbitration is also favorable to the miners. The employment of check weighmen and the companies' collections for their pay, and the distribution and regulation of cars, are also favorable to the miners.

The provision for the creation of a conciliation board to settle points of disagreement will generally meet with the

miners' hearty approval. Though the commission does not require the operators to recognize the miners' organization, in the organization of this board of conciliation recognition of the organization is absurd. The commission also suggests recognition of the organization in several places. The decision itself recognizes the organization. These points at least are in favor of the miners.—*Statement by S. M. Sexton, editor of The United Mine Workers' Journal, Indianapolis.*

The board of conciliation almost of necessity implies some form of organization, for it is to represent the two parties to any dispute that may arise under this award or from any other source, and it is to endeavor to bring about a settlement. Of course, there would be no means of actually enforcing the ultimate decision, whether of the board or of the umpire, but it would have an important moral effect, at least, upon public opinion outside of the contending forces. While the commission avoids discussing the question of unionism, or the more important question of interference with the rights and liberties of non-union men, it favors agreements between employers and workmen as a body by what is called collective bargaining.

The report may be regarded as favoring labor organization for legitimate purposes.—*The New York Journal of Commerce.*

First of all, and paramount above all other points in the award, the freedom of labor is upheld and is to be maintained. That was, of course, the fundamental issue in the strike; or that and the mandate issue of recognition of the miners' union. All other questions, of wages, hours, and what not, were subsidiary to these, and were so recognized; and could have been settled in a day had it not been for these. Were non-union men to be permitted to work in the mines without molestation? Or was the miners' union to be made the dictator of the anthracite field, determining who should and who should not work, and how the operators should conduct their business? To these questions the answer of the commission is unmistakable and emphatic. . . . Men shall be free to sell their labor wherever they can find a purchaser for it, and no third party shall say them nay. We have regarded that principle from the outset as absolutely fundamental, and have assumed that the commission would necessarily affirm it.—*The New York Tribune.*

And yet it is quite apparent that neither miners nor operators have acted in the premises in a wholly voluntary manner.



They have been coerced, not by law, but by public opinion. The small body of men who had the legal ownership of the mines, and legal authority to close them and leave the public to suffer, were not willing to face this public opinion; they were not willing to be held responsible by the public for all the suffering which would be entailed if the mines were not reopened. The power of concentrated public opinion has perhaps never had a more striking illustration than that which is furnished by the forcefulness of this wholly extra-constitutional and extra-legal proceeding.—*The Outlook*.

**The President's Speeches in the West** CORPORATIONS AND TRUSTS.—At the outset I shall ask you to remember that I do not approach the subject either from the standpoint of those who speak of themselves as anti-trust or anti-corporation people, nor yet from the standpoint of those who are fond of denying the existence of evils in the trusts, or who apparently proceed upon the assumption that if a corporation is large enough it can do no wrong.

I think I speak for the great majority of the American people when I say that we are not in the least against wealth as such, whether individual or corporate; that we merely desire to see any abuse of corporate or combined wealth corrected and remedied; that we do not desire the abolition or destruction of big corporations, but, on the contrary, recognize them as being in many cases efficient economic instruments, the results of an inevitable process of economic evolution, and only desire to see them regulated and controlled so far as may be necessary to subserve the public good.

It is clear that corporations created for quasi-public purposes, clothed for that reason with the ultimate power of the state to take private property against the will of the owner, hold their corporate powers as carriers in trust for the fairly impartial service of all the public. Favoritism in the use of such powers, unjustly enriching some and unjustly impoverishing others, discriminating in favor of some places and against others, is palpably violative of plain principles of justice. Such a practice unchecked is hurtful in many ways.—*At Milwaukee, April 3*.

**THE TARIFF.**—A nation like ours could not long stand the ruinous policy of readjusting its business to radical changes in the tariff at short intervals, especially when, as now, owing to the immense extent and variety of our products, the tariff schedules carry rates of duty on thousands of different articles.

Sweeping and violent changes in such a tariff, touching so vitally the interests of all of us, embracing agriculture, labor, manufactures, and commerce, would be disastrous in any event, and they would be fatal to our present well-being if approached on the theory that the principle of the protective tariff was to be abandoned.

Our aim should be to preserve the policy of a protective tariff, in which the nation as a whole has acquiesced, and yet wherever and whenever necessary to change the duties in particular paragraphs, or schedules, as matters of legislative detail, if such change is demanded by the interests of the nation as a whole.—*At Minneapolis, April 4.*

THE LABOR PROBLEM.—The wage-workers in our cities, like the capitalists in our cities, face totally changed conditions. The development of machinery and the extraordinary change in business conditions have rendered the employment of capital and of persons in large aggregations not merely profitable, but often necessary for success, and have specialized the labor of the wage-worker at the same time that they have brought great aggregations of wage-workers together. . . .

The line of demarcation between unhealthy over-interference and unhealthy lack of regulation is not always well defined, and shifts with the change in our industrial needs. Most certainly we should never invoke the interference of the state or nation unless it is absolutely necessary; but it is equally true that when confident of its necessity we should not on academic grounds refuse it.—*At Sioux Falls, April 6.*

THE PHILIPPINES.—To put down the insurrection and restore peace to the islands was a duty not only to ourselves, but to the islanders also. We could not have abandoned the conflict without shirking this duty, without proving ourselves recreants to the memory of our forefathers. Moreover, if we had abandoned it, we would have inflicted upon the Filipinos the most cruel wrong, and would have doomed them to a bloody jumble of anarchy and tyranny. It seems strange, looking back, that any of our people should have failed to recognize a duty so obvious; but there was such failure, and the government at home, the civil authorities in the Philippines, and, above all, our gallant army, had to do their work amid a storm of detraction.—*At Fargo, April 7.*

**The President and Secretary Root** said in his Boston speech of tariff revision that "if a law is working well as a whole, common sense requires that we should endure some faults, even though they be serious, rather

than destroy the general good effect by constant tinkering." As prosperity has prevailed under the Dingley act, that law is considered to be working well, and revision is accordingly not to be undertaken at present.

President Roosevelt spoke on the same subject at Minneapolis Saturday. His views are those of the war secretary. . . . This means that revision should not at the moment be undertaken. If not now, when? Mr. Root, by saying that congress should not touch the matter while a general election was pending, put the question over to a date not earlier than 1905. Mr. Roosevelt is less explicit. But he says that "the present phenomenal prosperity has been won" under the Dingley tariff, that "if a tariff law on the whole has worked well" we had better let it alone, etc. . . .

The conclusion from all this is that the Roosevelt administration will oppose any general change or reductions in the present tariff schedules, at least until after the next presidential election, and not then unless the tide of prosperity recedes enough to show that the law is not working quite so well. In that case, the law would become discredited as a prosperity producer, and could be touched with more safety than at present. Evidently, then, the president is not staking much on the present tariff as the essential cause or condition of the present prosperity.—*The Springfield Republican*.

Secretary Root, Secretary Shaw, and Senator Allison, in recent speeches and interviews have taken the same ground. Taken in connection with the president's utterances, their declarations may doubtless be accepted as expressive of the national administration's attitude upon the subject of tariff legislation by the new congress. The fact that the president took occasion to define his position while in the section of the country wherein it might be supposed that the advocates of the tariff revision idea put forth by Gov. Cummins, of Iowa, could expect the most support, indicates that the administration is ready to grapple with the issue and force the fighting. It proposes to stand by the time-honored and well-tried policy of protection and to combat the so-called "tariff reformers," whether they are to be found in the Democratic or Republican parties.—*The Pittsburg Times*.

Mr. Root objects to tariff tinkering. He thinks revision is an evil in itself and always dangerous. And he is quite right. Revision by the Republican party is always dangerous to the interests of the masses of the people. Revision by the Demo-



cratic party is dangerous to monopolies. But it is worth while to note that the Republican party has been engaged in tariff tinkering almost ever since it came into existence.

The second rule laid down by Mr. Root is that the tariff must be revised by its friends. By that he means the friends of trusts and monopolies. The country has already had far too much of this sort of revision, which always means another turn of the screw in the direction of shelter for monopolies. It would be a great deal better for the tariff to be left as it is than to have it revised by the sorts of friends represented by Mr. Root. They would be certain to make it worse.—*Louisville Courier-Journal*.

**Protection Doc-  
trine Re-Stated**

WHEREAS, There seems to be a well-defined attempt in Massachusetts, as well as in Iowa, to commit the Republican party to the advocacy of reciprocity treaties in competitive products, to the removal of duties on so-called raw materials, and to a general reduction of protective duties, the Home Market Club desires to place itself on record by the following resolutions:

1. We consider the great prosperity of the country under the Dingley tariff is fully justifying that tariff and the protective policy behind it.

2. We accept the policy of reciprocity in non-competing products, as laid down in the last Republican national platform, but we are unalterably opposed to reciprocity in competing products, or to destroying the home market for one American industry, for the sake of enlarging the foreign market of another.

3. We believe that the producers of so-called raw material are as much entitled to reasonable protection as the makers of finished goods; and we are sure that a removal of protection from one class of products will precede but little its removal from the other also.

4. We believe that a general reduction of the tariff, instead of being an advantage to the community, would be a great calamity—unsettling business, throwing labor out of employment, and reducing wages.

5. We do not believe the people as a whole have yet forgotten the results of the tariff revision of 1893-4, and we also do not believe that they desire to try another similar experiment.

6. This club is not a political organization, and it considers no party entitled to its support that does not stand for the cardinal principle of protection as a doctrine of national

policy.—*Resolutions of Boston Home Market Club, introduced by Gen. Draper.*

**The Merger  
Decision**

Unquestionably this decision is just in its law and beneficent in its effect. If the Northern Securities Company had been upheld, there would have been nothing to prevent the organization of one immense company to own a majority of the stock of all the railroads in the country, thus creating a gigantic trust under the control of a handful of men. That would have been the natural, and, it may be added, the inevitable evolution of the holding company plan. How long the country would stand such a state of things may be left to the imagination. The people would never permit the existence of such power within the government, and yet superior to the government in power. The result would have been a condition worse than that which the railroad managers have tried, by one expedient after another, to avoid. Great as is the evil of uncontrolled competition, the competition which results in rate wars, the unsettlement of business, the wrecking of properties, and the destruction of values, and finally in panic, there is something still worse. A decision in favor of the Northern Securities would have paved the way for further agitation of government ownership.—*The Wall Street Journal.*

It will demonstrate to the people that law in this country does not necessarily cease to have any force when capital begins to count up its power in tens or hundreds of millions of dollars. The organizers and manipulators of syndicated wealth have been exhibiting altogether too flippant and contemptuous an attitude towards the commands and restraints of government. It was time that they were given a lesson, and here it is delivered in a way that will make them a little more heedful. It may hurt some, but they and their followers have only themselves to blame.—*Springfield Republican.*

The Northern Securities combination was quite the most flagrant, bold and undisguised defiance of the law of 1890 which the country has witnessed. The brilliant success of the proceeding, it is hoped in some quarters and feared in others, will inspire the administration to an enthusiastic pursuit of other offending corporations. There are plenty of them. Not only the coal-carrying roads, but corporations like the New Haven Road, with its control of the Sound steamboat lines; the Pennsylvania Railroad, which, in one way or another, controls the Reading, the New Jersey Central, and the Balti-

more and Ohio; the Lake Shore, which controls the "Nickel Plate," and dozens of other railroad systems, small and great, lie open to the assault of the attorney general under the exceedingly broad principles of the Northern Securities decision. There is no occasion to prove that they do restrain trade or fix unreasonable rates. The court says that is not the question; and the supreme court itself has ruled that the possession of the power to do the unlawful acts is all that it is necessary to prove. There is no doubt that the president could literally blow things sky-high if he should instruct the attorney-general to proceed against every unlawful combination in the country.

That he will do anything of the kind is not to be believed. The country is now exceedingly prosperous, and Mr. Roosevelt "chances" of renomination are so good that they may be described as a certainty. Blowing things sky-high under the Sherman act would quickly change our prosperity to panic, our commercial activity to stagnation. That would be a good thing neither for the country nor for Mr. Roosevelt. He will see that as readily as anybody when he emerges from the Yellowstone woods.—*The New York Times*.

#### **The Irish Land-Bill**

The principle of the bill is voluntary land purchase, under which the occupiers and cultivators of Irish soil may soon become the owners of the land. The landlords are to sell at rates satisfactory to them, and the tenants are to buy with such advances of cash, by instalments, as are within their means. The difference between what the landlords must have, and what the tenants can pay is to be made good, as a free gift, by the British government.

It must be understood that British credit is to be applied in two ways. On the one hand, there is to be this smaller sum [\$60,000,000] given freely, which is never to be repaid; on the other, there is an enormous amount to be loaned out of the imperial treasury to the tenants to enable them to buy the land. As Mr. Wyndham explained, this great sum, which is now estimated by both Mr. Wyndham and Mr. Morley as about \$500,000,000, is to be raised on a new government loan, guaranteed at  $2\frac{3}{4}$  per cent. interest, and issued as it may be needed during a series of years. The money thus raised will be loaned to the tenant purchasers at  $3\frac{1}{4}$  per cent. interest—all this of course to be ultimately paid back to the government. As the working out of the scheme will require a long series of years, the annual charge on the British treasury will not be over some \$2,000,000 a year, according to Mr. Wyndham, which will be largely coun-



terbalanced, it is hoped, by a reduction in the expense of governing Ireland, due to the greater contentment of the inhabitants. Both the constabulary and the magistrates could be reduced in number, while the old land commission could be dispensed with entirely—*The Springfield Republican*.

The convention at Dublin represented and expressed an actual consensus of the people of Ireland. And that consensus was entirely favorable to the principle of the bill. That is, in fact, so far as it goes, the last word. If the British government can afford to propound a scheme for the "abolition of landlordism" in Ireland, for the transfer of the title of the soil from men who rent out the farms to men who till them, which the people of Ireland can afford to accept, the problem is already, one may say, solved.—*The New York Times*.

Alien rule, however benevolent, is still alien rule, and no high-spirited people will endure it permanently. As Mr. Gladstone said, before you expect the Irish people to love the law you must concede them an Irish source for that law. It is not as Land Leaguers, but as Nationalists, that Mr. O'Brien and his friends sit in the house of commons. It was not because of the land, but because of their hatred of English imperialism, that they threw the weight of their sympathies on the side of the Boers. It was not because Albert Edward is an Irish landlord, that they hoisted the black flag on the day of his coronation, but because he claims to rule a country which never has accepted him or any of his predecessors since James II., and because the laws he undertakes to enforce in Ireland are the work of an alien and even hostile parliament. Ireland may suffer less than she has, but discontent will not diminish. It probably will increase, as it always does, with greater advance toward prosperity, until Ireland is free to rule herself.—*Robert Ellis Thompson, in The Freeman's Journal*.

There is a general desire to act liberally in promoting a settlement of the Irish land question, but only on the condition that it holds out a reasonably assured promise of security and peace. If whatever is granted is to be made only the starting-point of new claims, the British taxpayer will hesitate to commit himself to the enormous responsibilities involved in a general scheme for buying out the Irish landlords. That a class who have been so hardly treated by imperial legislation have a claim to be bought out, we do not deny, but the operation—in any case

a costly one—can not be undertaken unless there is substantially a certainty that it will produce the effect desired, that the reconciliation of classes in Ireland will be brought about, and that most of the difficulties of Irish government will disappear.—*The London Times.*

**The Negro as  
an Artisan**

We have studied in considerable detail the history of the negro artisan, the industrial schools, the condition of negro mechanics throughout the country, the attitude of organized labor toward the negro, the opinions of employers, and negro inventions. On the whole, the survey has been encouraging, although there is much to deplore and criticise. Our conclusions may be summed up as follows:

1. Slavery trained artisans, but they were for the most part careless and inefficient. Only in exceptional cases were they first-class mechanics.

2. Industrial schools are needed. They are costly, and, as yet, not well organized or very efficient, but they have given the negro an ideal of manual toil, and helped to a better understanding between whites and negroes in the South. Eventually they may be expected to send out effective artisans, as they have already begun to do.

3. There are a larger number of negro mechanics all over the land, but especially in the South. Some of these are progressive, efficient workmen. More are careless, slovenly, and ill-trained. There are signs of lethargy among these artisans, and work is slipping from them in some places; in others they are awakening and seizing the opportunities of the new industrial South.

4. The labor unions, with 1,200,000 members, have less than 40,000 negroes, mostly in a few unions, and largely semi-skilled laborers like miners. Some labor leaders have striven against color prejudice, but it exists and keeps the mass of negroes out of many trades. This leads to complicated problems, both industrial, political and social.

5. Employers, on the whole, are satisfied with negro skilled labor, and many of them favor education as tending to increase the efficiency of negroes. Others think it will spoil the docility and tractableness of negro labor. The employment of negro skilled labor is slowly increasing.

6. The negro evinces considerable mechanical ingenuity.

On the whole this study of a phase of the vast economic development of the negro race in America but emphasizes the primal and emphatic need of intelligence. The situation is critical and developing swiftly. Deftly guided with the larger

wisdom of men and deeper benevolence of great hearts, an outcome of good to all cannot be doubted. Muddled by half-trained men and guided by selfish and sordid interests, and all the evils of industrial history may easily be repeated in the South.—*Report of a Social Study made under direction of Atlanta University.*

**Admiral Dewey and the German Navy** I have made a deep study of that navy. My belief is that its efficiency in possible action is greatly overestimated. The men do not begin to compare in education and intelligence with the Americans. Their men have, in my opinion, been educated so that they look to the officers and depend upon them for specific instructions in the least matters. The maneuvers in the Caribbean were not only successful, but were the greatest object-lesson of the kind, probably, that the world has ever seen. It was an object-lesson to the Kaiser more than to any other person. I think of it, 54 war-ships, including colliers and all. Germany could not possibly get a fleet over here that could fight such an aggregation of war-ships as that.—*Admiral Dewey, as quoted in the Newark Evening News.*

All this would be merely amusing were it not that journalistic abuse is readily converted into international ill-feeling. A constant reading of his *Vossische Zeitung* is likely to convince the most placid Berliner that all Americans are dangerous blustersers. To prove the falsity of such an idea he would only have to meet a few of the hundreds of Americans resident in the German capital; but unluckily such prejudices are easily acquired and seldom verified. The German papers that give themselves to vituperation whenever the over-busy cable transmits the idle talk of an admiral, are serving their country ill. Their temper will make the Teutonism which they are so ready to deny us seem no very desirable distinction.—*New York Evening Post.*

Is this the way enlarged navies are to make for peace? Because Lieutenant-General Count Reventlow publishes an article in a Berlin paper in which he says that Germany's navy is much better than ours, and that Admiral Dewey is not much of an admiral, our government will not ask explanation of the Kaiser. Count Reventlow holds a rank very nearly equal to that of Admiral Dewey, and if the latter is an offender against international comity so is Count Reventlow. What is sauce



for the American gander is sauce for the German goose, but we are too big a nation to fly into a passion every time some foreign general tells how easily we could be whipped if the job were confided to him. To take notice of such critics would be only to give them gratuitous advertising. We trust the incident is closed, and that no other Reventlows will wake up American officers to imitate Admiral Dewey.—*The Boston Transcript*.

From whom can we accept rebuke with so much graciousness as from our good friend of Germany who has given us such substantial proofs in the statue of Frederick and the visit of a prince of the falsity of the French proverb that "*Le Prussien est essentiellement faux bonhomme*"? Are we not still further indebted to the Kaiser for the generous encouragement Admiral Dewey received from the German fleet in Manila Bay? Do we not know how earnestly he sympathized with our attempt to obtain San Domingo from the Dane, and how unremitting were his efforts through the secret channels of diplomacy to persuade Denmark to ratify the treaty for the cession of the island to the United States? Have we not had in Venezuela a striking illustration of the German emperor's cordial acceptance of the Monroe doctrine, which we regard as of so much importance to the preservation of this continent from entanglement in European conditions. . . . The instructions in cypher which hastened the German squadron from Hongkong to Manila, without other explanation than that given by the Germans at Shanghai to the effect "that Spain had offered a coaling-station in the Philippines to Germany, and that the squadron had gone to take it"; all this was one of those delicate expressions of good-will that sink deep into the hearts of our people, as they did into the hearts of Dewey and his squadron at the time of the capture of Manila Bay.—*The Army and Navy Journal*.

Whoever now would consult the various peoples of the world regarding their inward disposition would find none more peaceably disposed than the Americans. They are too industrious not to appreciate the value of peace. Their whole energy is absorbed in the production of wealth, in the betterment of social, intellectual and moral life, and they regard war as a useless waste of time and money. But it would be a great mistake to infer that this sentiment is inspired in them by fear. The American people are too combative, they have too much moral health. This eager spirit of contest would endow them

upon occasion with martial qualities capable of withstanding every test. It is wonderful to note how a people so little military are gifted with a patriotism so intense.—*M. L. de Vissec, in Revue Bleue.*

## CORN CROP OF THE WORLD, 1897-1901

	1897. Bushels.	1898. Bushels.	1899. Bushels.	1900. Bushels.	1901. Bushels.
United States. . . . .	1,992,968,000	1,924,185,000	2,078,144,000	2,105,103,000	1,522,520,000
Canada (Ontario). . . . .	25,441,000	24,181,000	22,356,000	27,947,000	25,621,000
Mexico . . . . .	121,893,000	111,347,000	93,438,000	92,204,000	80,000,000
Total North America. . . . .	2,050,302,000	2,059,713,000	2,193,938,000	2,225,254,000	1,628,141,000
Chile. . . . .	8,000,000	9,932,000	9,000,000	8,000,000	9,000,000
Argentina . . . . .	40,000,000	56,000,000	72,000,000	60,000,000	78,000,000
Uruguay . . . . .	4,000,000	4,000,000	6,000,000	3,035,000	5,576,000
Total South America. . . . .	52,000,000	69,932,000	87,000,000	71,035,000	92,576,000
France. . . . .	30,401,000	23,496,000	25,548,000	22,232,000	26,393,000
Spain . . . . .	19,644,000	14,098,000	24,667,000	26,016,000	23,000,000
Portugal . . . . .	15,500,000	15,500,000	16,000,000	16,000,000	15,000,000
Italy . . . . .	65,891,000	79,649,000	88,536,000	83,286,000	87,969,000
Austria . . . . .	14,757,000	16,074,000	14,583,000	15,446,000	17,212,000
Hungary . . . . .	103,910,000	127,382,000	115,981,000	127,656,000	132,000,000
Croatia-Slavonia . . . . .	14,008,000	20,822,000	14,680,000	18,691,000	19,000,000
Total Austria-Hungary. . . . .	133,275,000	164,278,000	145,244,000	161,793,000	168,212,000
Roumania . . . . .	79,753,000	101,997,000	27,721,000	85,047,000	116,945,000
Bulgaria and Eastern Roumelia . . . . .	25,000,000	37,759,000	20,462,000	18,000,000	30,000,000
Servia . . . . .	16,000,000	24,558,000	15,000,000	18,472,000	25,000,000
Russia . . . . .	51,966,000	47,918,000	30,912,000	34,256,000	64,596,000
Total Europe. . . . .	437,430,000	509,154,000	394,090,000	465,102,000	557,115,000
Algeria . . . . .	301,000	347,000	349,000	350,000	350,000
Egypt . . . . .	35,000,000	32,000,000	30,000,000	25,000,000	30,000,000
Cape Colony . . . . .	2,761,000	2,061,900	2,858,000	2,000,000	2,000,000
Total Africa. . . . .	38,062,000	34,408,000	33,207,000	27,350,000	32,350,000
Australasia. . . . .	9,412,000	9,780,000	10,025,000	10,168,000	10,505,000

Range of Prices of Agricultural Products.	Mar. 1898	Mar. 1899	Mar. 1900	Mar. 1901	Mar. 1902	Mar. 1903
Wheat, No. 2 red N. Y. (bush.)	1.08 $\frac{7}{8}$	87 $\frac{1}{2}$	81 $\frac{3}{4}$	82 $\frac{1}{2}$	90 $\frac{3}{4}$	82 $\frac{1}{2}$
Corn, No. 2, Chic. (bush.)	29 $\frac{1}{2}$	36 $\frac{1}{2}$	38 $\frac{1}{2}$	44	61 $\frac{1}{2}$	44 $\frac{1}{2}$
Corn, No. 2, N. Y. (bush.)	36 $\frac{1}{2}$	45 $\frac{1}{2}$	46	51 $\frac{1}{2}$	71 $\frac{1}{2}$	55
Oats, No. 2, Chic. (bush.)	26 $\frac{1}{2}$	27 $\frac{1}{2}$	24 $\frac{1}{2}$	26 $\frac{1}{2}$	45 $\frac{1}{2}$	33 $\frac{1}{2}$
Rye, No. 2, Chic. (bush.)	50 $\frac{1}{2}$	56 $\frac{1}{2}$	55	51 $\frac{1}{2}$	58	49
Hay, No. 1, Timothy, Chic. (ton)	9.50	10.00	11.50	14.00	13.00	13.00
Potatoes, N. Y. (180 lbs.)	2.75	2.37	2.25	1.62	2.50	2.00
Hops, choice, N. Y. (lb.)	18	18	13 $\frac{1}{2}$	20	19	35
Wool, xx, washed, N. Y. (lb.)	31	29	39	28	27 $\frac{1}{2}$	32
" best tub washed, St. L. (lb.)	29	26	35	27 $\frac{1}{2}$	24	29
Hogs, Chicago, (100 lbs.)	4.17 $\frac{1}{2}$	4.00	5.52 $\frac{1}{2}$	6.20	7.00	7.50
Butter, creamery ex. N. Y. (lbs.)	20 $\frac{1}{2}$	22	26	23 $\frac{1}{2}$	30	27 $\frac{1}{2}$
" Elgin	20	21	24 $\frac{1}{2}$	23 $\frac{1}{2}$	28	27 $\frac{1}{2}$
Eggs, best fresh, N. Y. (doz.)	15 $\frac{1}{2}$	30	17	17 $\frac{1}{2}$	30	19 $\frac{1}{2}$
" " St. Louis (doz.)	11 $\frac{1}{2}$	17	15 $\frac{1}{2}$	13	26 $\frac{1}{2}$	16 $\frac{1}{2}$
Cheese, Sept. col'd. N. Y.	8 $\frac{1}{2}$	12 $\frac{1}{2}$	13 $\frac{1}{2}$	12 $\frac{1}{2}$	13 $\frac{1}{2}$	14 $\frac{1}{2}$
" Full Cream, St. Louis	10	11 $\frac{1}{2}$	12 $\frac{1}{2}$	12	14	14 $\frac{1}{2}$

**Current Price  
Comparisons**

The following are the latest wholesale price quotations, showing comparison with previous dates:

	April 21, 1902	Mar. 21, 1903	April 21, 1903
Flour, Minn. patent (bbl. 196 lbs.)	\$4.00	\$4.05	\$4.15
Wheat, No. 2 red (bushel) . . .	88 $\frac{1}{2}$	81	83 $\frac{1}{2}$
Corn, No. 2 mixed (bushel) . . .	69	57	55
Oats, No. 2 mixed (bushel) . . .	48 $\frac{1}{2}$	43 $\frac{1}{2}$	38
Pork, mess (bbl. 200 lbs.) . . . .	16 87 $\frac{1}{2}$	18.00	18.30
Beef, Ham, (bbl., 200 lbs.) . . .	20.75	20.00	20.00
Coffee, Rio No. 7 (lb) . . . . .	5 $\frac{11}{100}$	5.50	5 $\frac{7}{8}$
Sugar, Granulated, Standard (lb.)	4 $\frac{76}{100}$	4.80	4.80
Butter, creamery, extra, (lb) . .	28	29	25
Cheese, State, f. c. small fancy (lb.)	13	15	15
Cotton, middling upland (lb.) . .	9 $\frac{1}{2}$	10 $\frac{15}{100}$	10 $\frac{35}{100}$
Print Cloths (yard) . . . . .	3 $\frac{8}{8}$	3 $\frac{15}{8}$	3 $\frac{1}{8}$
Petroleum, bulk, N. Y. (gal.) .		5 $\frac{66}{100}$	5 $\frac{66}{100}$
" N. Y., refined in bbls. (gal.)	7 $\frac{16}{100}$	8 $\frac{1}{8}$	8 $\frac{35}{100}$
Hides, native steers, (lb.) . . . .	11 $\frac{1}{2}$	10 $\frac{1}{2}$	11
Leather, hemlock (lb.) . . . . .	24 $\frac{1}{2}$	25	24 $\frac{1}{2}$
Iron, No. 1 North, foundry, (ton 2000 lbs.) . . . . .	19.00	24.00	22.25
Iron, No. 1 South, foundry, (ton 2000 lbs.) . . . . .	17.00	23.50	21.50
Tin, Straits (100 lbs.) . . . . .	27.80	29.90	30.20
Copper, Lake ingot (100 lbs.) . .	11.75	14.75	15.50
Lead, domestic (100 lbs.) . . . .	4.10	4.67 $\frac{1}{2}$	4.67 $\frac{1}{2}$
Tinplate (100 lbs., I. C., 14x20)...	4.35	4.15	4.15
Steel rails (ton 2000 lbs.) . . . .	28.00	28.00	28.00
Wire nails (Pittsburg), (keg 100 lbs.) . . . . .	2.05	2.00	2.00
Steers, prime, Chicago (100 lbs.)	—	5.40	5.25
Fine silver (per ounce) . . . . .	—	48 $\frac{1}{2}$	50 $\frac{5}{8}$
Bullion value silver dollar . . . .	—	37 $\frac{1}{2}$	39 $\frac{1}{2}$
Ratio, gold to silver . . . . .	—	1-42 $\frac{3}{8}$	1-40 $\frac{25}{100}$



*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities, averaged according to importance in per capita consumption for April 1 and comparison with previous dates, as follows:

	Jan. 1, 1893	Apr. 1, 1898	Apr. 1, 1899	Apr. 1, 1900	Apr. 1, 1901	Apr. 1, 1902	Apr. 1, 1903
Breadstuffs . .	\$15.750	\$13.619	\$14.099	\$14.380	\$15.221	\$19.232	\$16.724
Meats . . . .	9.315	7.881	7.790	8.823	9.294	10.479	9.659
Dairy, garden	15.290	11.848	11.680	12.604	13.519	13.832	13.512
Other foods . .	9.595	8.366	9.052	9.349	9.208	8.827	9.348
Clothing . . .	13.900	14.715	14.615	17.633	14.991	15.145	16.406
Metals . . . .	15.985	11.435	14.314	17.793	16.048	15.153	16.564
Miscellaneous	14.320	12.235	12.650	16.796	16.629	16.554	17.054
Total . . . .	\$94.155	\$80.099	\$84.200	\$97.378	\$94.910	\$99.222	\$99.267

The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*, as follows:

	Dec. 31, 1901	Dec. 12, 1902	Mar. 13, 1903	Apr. 17, 1903
Average, 60 railway . . .	102.99	103.03	103.32	98.93
" 10 industrial . . .	63.45	57.48	63.58	62.71
" 5 city traction, etc.	137.37	130.45	129.67	127.60

Prices of certain significant stocks on the New York stock exchange, showing range during the year, as given by *Bradstreet's*, and the asking prices of certain other stocks, are as follows:

	Range during 1902		Closing Mar. 14, 1903	Prices Apr. 17, 1903
	Highest	Lowest		
Amer. Beet Sugar (com.) . . . .	30	30	—	—
Amer. Beet (pref.) . . . . .	—	—	—	—
Amer. Sugar Ref. (com.) . . . .	135½	113	124½	124½
Amer. Sugar Ref. (pref.) . . . .	—	—	—	—
Amer. Tobacco (pref.) . . . . .	151½	140	—	—
Cont. Tobacco (pref.) . . . . .	126½	114	114½	113
Gt. Northern Ry. (pref.) . . . .	203	181½	—	—
International Paper (pref.) . . .	77½	70	—	71
N. Y. Central R. R. . . . .	168½	147	138½	131½
Pennsylvania R. R. . . . .	170	147	143½	136½
Ph. & Read, R.R. (1st pf.) . . . .	90½	79½	—	—
Southern Pacific Ry. . . . .	81	56	62½	56½
U. S. Rubber . . . . .	—	—	16	15
U. S. Rubber (pref.) . . . . .	63½	49½	—	49½
U. S. Steel (com.) . . . . .	46½	29½	37½	35½
" " (pref.) . . . . .	97½	79	86½	86½
Western Union Tel. . . . .	97½	84½	—	85

English prices of staple commodities, as given by the *London Economist*, are as follows:

	Mar. 7, 1902			Mar. 6, 1903			April 10, 1903		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
Steel rails (long ton, 2,240 lbs.) . .	5	5	0	5	10	0	6	10	0
Scotch pig iron (long ton, 2,240 lbs.)	2	13	4½	2	16	3	2	14	4
Copper " "	54	12	6	60	15	0	50	13	9
Tin, Straits " "	114	10	0	136	10	0	135	10	5
Tin Plate (108 lbs., I. C., 14 x 20)	0	13	9	0	12	0	0	11	7
Sugar, granulated (112 lbs.) . . .	0	15	0	0	15	6	0	15	9
Lead, Eng. pig (long ton, 2,240 lbs.)	11	17	6	13	7	6	10	18	9
Cotton, middling upland (lb.) . . .	0	0	4 <sup>27</sup> / <sub>16</sub>	—	—	—	—	—	—
Petroleum (gallon) . . . . .	0	0	6 <sup>11</sup> / <sub>16</sub>	0	0	5½	0	0	5½

(American equivalents of English money: pound — \$4.866; shilling—4.3 cents; penny — 2.03 cents.)

## EDUCATING SOUTHERN FACTORY CHILDREN

LEONORA BECK ELLIS.

The adaptation of schools to different classes of pupils is a subject that will command increasing attention as educational science comes to be more fully mastered. Already the highest philosophy arrived at lays down as its first dictum that education must answer to mental and moral needs. But, undeniably, the mental and moral needs of children differ as their natures differ; more still, differ as do the homes that supply the schools. This being true, educational institutions should no more be shaped after one unalterable pattern than are those social institutions we call homes. Needs differing, as we agree, let schools differ to meet them, the most clamorous needs being met first.

There are many classes of workers whose children are not being reached at all, or reached with but barren results, by the system of public schools now prevailing in most of our cities and towns. It becomes an urgent duty to institute other and better schools for these people; better, let me insist, since, however excellent the system, even up to the highest point of abstract excellence yet attained, it needs bettering if a considerable proportion of those whose sole educational hope this system is, can derive no benefit from it under its present organized form.

Once face the sharp fact that there are classes of workers whose children will not come to education, to the schools as they are, then education must come to them; the schools must be shaped for their capabilities and requirements. We must stand ready to carry schooling to them by whatsoever means we may, rejecting all dogmas and traditions that do not help the immediate situation.



There are those who suggest a uniform compulsory education law in every state in the union as the remedy for all educational shortcomings. Such a law would accomplish some-



Operative's "Shanty" of the Old Style

thing, it is true; yet one may rightly say that it would be only a half good, until other elements amalgamate with it to make it a whole good.

Beyond question, compulsory education is coming soon to our entire republic. But, to speak frankly, we can better afford, as conditions are, to wait a little for compulsory education, than we can to wait for the type of school I am advocating.

In Columbus, Georgia, there is a school not more than a year old that points out a new path well worth following by others in similar districts.

Columbus is a prosperous town, with a large factory population. Many such towns now flourish in the new manufacturing South. As manufacturing is recently established in this region, the present mill population was, but a few years

back, a rural population. It is not yet adjusted to the conditions of crowded community life; and many of its members have not yet fully mastered the new occupation. Extremely illiterate in the main, having lived generation after generation in thinly settled backwoods or mountain districts, suspicious of city people and ways, distrustful of all attempts to draw their children into the public schools, strong in some rustic virtues, yet dragged down by the degrading tendencies that go hand in hand with ignorance, these people constitute the elements of a sociological problem that is difficult for Southern municipalities to deal wisely with and supremely embarrassing to conscientious public school superintendents.

Professor Carleton B. Gibson, superintendent of the city schools of Columbus, having devoted much earnest consideration to this matter, decided last year that he must try more effective methods. That the Columbus schools were good, for a population of average culture, intelligence, and prosperity, was undeniable. The latest and best system of teaching prevailed throughout every department: music, drawing, domestic science, and general manual training up to a certain point, were important parts of the curriculum; and the manners and morals of the pupils were by no means ignored in any grade or class. Outside of the mill districts, the average attendance on these schools has always been large. Yet, is not the groundwork of our educational system the principle that we are to educate the children of all the people? An appallingly small proportion of the children of the factory people was in the Columbus schools. Still, no compulsory education law exists in Georgia to constrain these, and such as these, to attend school.

What was wanting? How supply it? Professor Gibson kept putting such questions to himself until he arrived at this conclusion: There is wanting a school, or system of schools (or sub-system of schools, to be exact), that is still better adapted to this peculiarly conditioned people; and these schools must be such as to draw their children in whether they will or not, to sweep away their prejudices, beat down their obstinacy, replace their distrust with confidence.

Out of Mr. Gibson's study and intelligent zeal was evolved a school that, with needful modifications to suit different cases, might wisely be copied a thousand times over in the United States within the next twelve months.

Perhaps, when it is described, you will say "this is not a school," and will allow only the inexact term, social institution, or, perhaps, social settlement. No matter: names go for naught where so much good is involved. Columbus calls it her Primary Industrial School, and is very proud of it, sustaining the superintendent in all he plans and hopes for the institution, and paying all running expenses out of the city's educational fund. Here, by the way, is a point of much importance, that such institutions should be mainly supported in this way rather than by the contributions of either public or private charity.

In September, 1901, Mr. Gibson was ready to open his school. An old tenement house in the heart of the most thickly



New Type of Cottages for Operatives

populated factory district of the town, had been rented, and much quiet emptying, cleaning, and refilling done within; but very slight changes were made in its exterior, as the emphasiz-



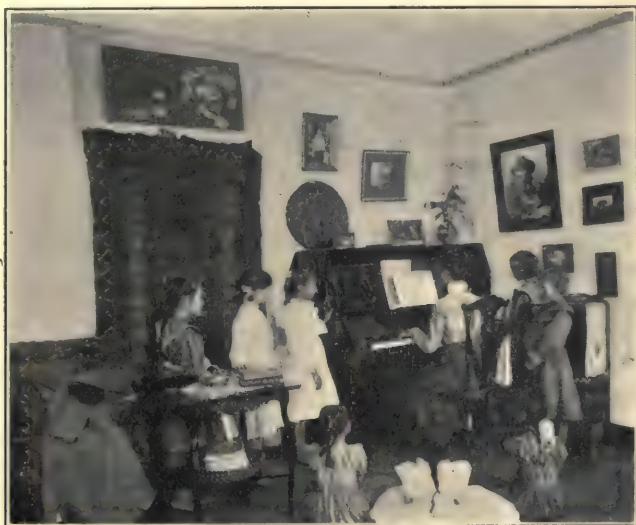
ing of differences was to be avoided at first. Teachers of the highest qualifications in mind, heart, and specialized training, had been obtained, and were on the ground weeks before the actual opening.

During these preliminary weeks, every house in the mill districts, from the tidy cottage to the unsightly hovel, was visited by one, or possibly all, of the teachers, and the kindest invitations given to parents to send their children to the new school. In the face of suspicion, rudeness, contemptuous silence, or rough words, the visiting went on from day to day. It was a very vital point that the teachers should make a preliminary acquaintance with the people and their homes, and important that the people should be invited, urged, entreated, to come out and learn what this school might mean to them.

The preparatory weeks were discouraging. But what of opening day? That would have meant despair to any but the great hearts these teachers carried into the chosen work. Three score or more children, in the main very dirty, very disrespectful, and amazingly ill-mannered, slipped in and out through the tasteful and well-equipped apartments, while as many parents, of much the same manifestations, shuffled about, beside or behind the children. Material enough, you say? But unavailable it appeared at the start.

The children could not be induced to sit down in orderly fashion and share in any exercises, but, in response to such invitations, protested each and all that they had not come in as pupils, but only to look on. The parents were even worse. In justice to the mill people, it should be said that these adult visitors of opening day were chiefly of the most worthless class among them, the better type being too steadily occupied at spindle, loom, or household tasks, to go visiting even a new institution in the precious daylight hours. They peeped into all the rooms, these visitors, in sneering silence, or with contemptuous comments to one another. To them it all seemed to signify but a manifestation of superiority which must undoubtedly emphasize their own inferiority. Send their children here to learn by every sign and symbol that their own homes and people were ugly and low? Never!

To interest these children, to gain the attention of the sullen men and women, to win the first moment's confidence from both, was task enough for opening day. The quartette



Teaching Singing in the Reception Room

of teachers judiciously divided forces, and led, or, perchance, only followed, groups or individuals into the different rooms, the kindergarten, the kitchen, the reception hall, the shop, the laundry, the teachers' chambers. Patient and kindly explanation was given everywhere, with animated illustration of the projected work wherever possible; rude comment or sneer was overlooked, finger smudges on delicate materials and furnishings were ignored, as also still worse manners, expectoration on rugs and walls, and divers other evidences of absolute lack of breeding.

When the day was ended, the little band of teachers, if less brave, would have confessed to utter disheartenment. On the score of achievement, they could count nothing. "Except," urged one optimistic woman, "that Sally Terry called to me

from the door that she was coming back tomorrow and bring her little brother, 'jes' to see'; and old Mrs. Sisson, who last Wednesday threatened us with the broomstick if we did not leave her premises at once, conceded surlily in the kitchen to-day that she didn't care if her 'gals' did learn to cook, 'per-vided,' she added, 'you could l'arn 'em that an' let yore other tom-foolery alone.' "

But for the valuable time consumed in recounting details, it would be worth while to follow out a history of this school's growth through every day of its first few months. As this is not now practicable, let us pass from opening day to a morning near the close of the second semester, when I visited the institution and the accompanying photographs were taken. What a far call it seems from that discouraging day in September to this hopeful one in May! An eight months fuller of educational achievement in so limited a sphere can not well be imagined.

Nearly one hundred and fifty children have been enrolled as pupils since that unpropitious-seeming autumn morning, and they are as regular in attendance as their circumstances will allow. It is probable that even ten of these could have been induced to attend the ordinary city schools. The hours of teaching are from 7:30 to 10:30 o'clock in the morning, and from 1 to 4 o'clock in the afternoon. This will seem a singular division of daily sessions, until you reflect that the pupils are nearly all dinner-carriers for parents, brothers, and sisters in the mills. Many of them must even cook the dinners before carrying. Children seven and eight years of age sometimes do this responsible work; while those a little older, when not themselves at work among the spindles, commonly do the cooking for the wage-earners of the household. How vital, then, is the teaching of domestic science to such a class. Moral uplift as well as health are profoundly involved in this teaching.

One hundred children, approximately, are in attendance when I make my May visit to the school, and they are clean and well-mannered. Of both sexes, they range in years from 5 to 14; but very few exceed 11 or 12, as the factory absorbs



most of them beyond this limit. Fortunately, there are night classes where all up to the age of 20 find free admission and welcome.

The kindergarten is admirably equipped, and has a very full attendance. The teaching here is greatly modified to meet the requirements of this peculiar class. Many children, from 8 to 11 years of age, had to begin in this department, because they were shut out from all else, not merely by their own lack of early training, but that of their ancestors as well. But the blessed air of the child-garden seldom fails to revive even the half-deadened germs of intellectual and spiritual life.

I pass from the kindergarten light-hearted. It means salvation if it can be followed up by sound methods in the next grades of work.



Housekeeping Taught by Practise

All doubts are at rest when I have seen the training given in the domestic science class, the carpenter's shop, textile department, and outdoor gardening. All girls over six years

take cooking, sewing, laundry, and general house-cleaning lessons, and this not fitfully and superficially, with half a dozen or even a dozen lessons constituting a full course, but every week and through the whole year, with next year added if may be.

Each department is equipped simply but in perfect taste, with nothing lacking for complete training. The teachers live here in the school, remember, and their own immaculate and well-fitted kitchen is used for the cooking classes; their tasteful chambers afford opportunity for lessons in house-cleaning, arranging, and ordering; and their artistic little dining-room is at the disposal of a class when the serving of a meal is to be taught. In fact, every room in the house is freely opened to the pupils; and herein lies, probably, the most important point in all this teaching. A home, orderly, tasteful, attractive in every detail, is thrown open to be lived in through each day by children who in general can not be said to have known real homes, and whose greatest need, therefore, is to acquire the home-idea, to become imbued with the home-ideal. Were nothing taught, only this one principle imbibed, the school would not be in vain.

But we pass on. All the boys work at times in the shop, where simple carpentering is taught to each, and work demanding advancing degrees of skill is given to those who show proficiency. Every piece of work done is with a definite, practical purpose, whether it be the sawing of a board, the making of a simple dish-rack for use or sale, or the working out of a design for a trellis. The same thing holds true in every department of the school; yet no one would say that beauty is ignored in blind devotion to utility. The system recognizes, pre-eminent-ly, that these are the very people who require something to feed their souls no less than their bodies. Mohammed's hyacinths are a crying need here.

The pupils of both sexes are taught gardening, the beginnings of pottery, basketry, hat-making, weaving, and other forms of manual training. You can see at once how much easier life will be for them, even the plainest industrial life, than it was for their fathers and mothers.

Drawing and color studies are especially emphasized. I have been in no institution, except a technical one, where so much attention was paid to these essential branches.



Class in Floriculture and Yard Decoration

Some one is sure to ask where, with so much other work, the formal teaching of books comes in. It does not come in; it is a minor consideration that may or may not be reached hereafter. Does this sound revolutionary? But the new education issues from a revolution.

If these one hundred and fifty children, who represent almost as many families, a sufficient number, if uplifted themselves, to leaven the whole of the dense mill town, had learned in these eight months naught but to respect cleanliness and order, as it is manifest to me that they have learned, to practise courtesy, as they do today, and to use their hands, eyes, and reason, with the good industrial results that I see in shop, textile room, kitchen, and sewing department, the school would have been worth while, a thousand times worth while, and worthy of perpetuation and repetition.



But you must understand that the story does not end here, nor even with the orderly, eager, and interested night classes and Wednesday evening parents' meetings, in both of which, by the way, the social settlement idea is carried still further.

Space permits me to tell but little more in the present paper. I am constrained, however, to record the progress the children have made in reading, writing, spelling, arithmetic, geography, and history. In these fundamental branches they compare favorably with the pupils of an ordinary public school. No books are used unless individuals ask for them; and yet something of each of these sciences is taught every day to all pupils outside the kindergarten, and to many in that department. But they are taught naturally, constructively, correlatively. The untutored minds are not burdened at any time with abstract or disconnected knowledge.

As new ideas come with the daily occupations, new words come also; and these are spelled, written, read, copied, and sentences built up and written. Arithmetical computations, practical and varied, enter into all the hourly industrial tasks, while geography and history are taught in connection with materials used in each occupation, with finished products serving as specimens, and the story of the evolutionary processes of each industry. The knowledge of ethnology and history, of geography, both political and physical, accumulated by these children in one school session, becomes simply amazing when we reflect that not only their own lives, but those of their forefathers for generations, have been hemmed in to the utmost degree imaginable in a free people.

I should mention, before closing, that the school is open on Saturdays as on other days, and Professor Gibson hopes soon to keep it open all the year round, as he feels that the poor children need this pleasant day-home even more through the long, trying summer months.

I turn from the school-room doors, glad at heart that I have visited the institution, and praying that, ungraded, unorthodox, untraditional as it is, it may yet serve as the prototype after which a multiplying host may be fashioned, evolving, improving, growing in good as the years go by.

At the corner, I pause to speak to a child perched on the fence that shuts in the school gardens. Having noticed him several times during the afternoon, I now ask: "What are you doing, little one?" "I ain't five years old yet," he replies, discontentedly. The school has no provisions for children under that age.

Poor little tot, waiting on the fence until he is five years old and can enter—Paradise! Is he not typical of the thousands that wait wearily until we have made ready for every one of them such a place of refuge from ignorance and degeneracy?





"Human labor, through all its forms, from the sharpening of a stake to the construction of a city or an epic, is one immense illustration of the perfect compensation of the universe. The absolute balance of Give and Take, the doctrine that everything has its price,—and if that price is not paid, not that thing but something else is obtained, and that it is impossible to get any thing without its price,—is not less sublime in the columns of a ledger than in the budgets of states, in the laws of light and darkness, in all the action and reaction of nature. I can not doubt that the high laws which each man sees implicated in those processes with which he is conversant,—the stern ethics which sparkle on his chisel-edge, which are measured out by his plumb and foot-rule, which stands as manifest in the footing of the shop-bill as in the history of a state,—do recommend to him his trade, and though seldom named, exalt his business to his imagination."

—*Ralph Waldo Emerson*

# GUNTON'S MAGAZINE

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## THE MISUSE OF ORGANIZATION

We are verily in an age of organization. No great undertaking in the field of activity, economic, ethical, political, or religious, can now succeed without organization, and organization on a comprehensive scale. There is no other power in society so effective in promoting the progress and welfare of the community, and, with equal truth, it may be said that there is no power so effective for evil, when misdirected.

It often happens that new instruments and devices are often put to the poorest uses first. Not a few of the most important instruments of society have been used as a means of destruction before their constructive, helpful character was fully appreciated. Sharp instruments were developed for the purposes of war long before their use in the productive arts; and military and political organizations were resorted to for war and plunder long before they were used to protect the economic and moral interests of society.

It also seems to be characteristic of every phase of progress that those who first obtain advantage and power are unwilling that others should do the same. The free towns of the middle ages struggled very hard to protect the right freely to pursue industry, and were the bulwarks of progress; but when they grew strong they became chartered monopolies, and persecuted all outsiders. The chief purpose of the Reformation was to give every individual freedom of opinion; but no sooner had the movement become entrenched with authority and had resulted in the establishment of a national religion, than it became the persecutor of all outside its fold. The same is true in politics. Before the middle class obtained the franchise it was a body of political reformers, advocating equal

rights; but when it obtained the right to vote, it became an enemy to all further extension of the franchise.

All this seems true of industrial movements of the present day. Organization has become an economic necessity; yet those who obtain it first often use it for destructive, instead of helpful, purposes, and deny to others the right to use it at all. Capitalists have never been friendly to the idea of labor organizations, and, on the other hand, laborers who demand for themselves the right to organize have ever been among the loudest opponents of corporations and capitalistic organizations. They complain that the laws and the courts are opposed to labor unions, but they contribute to every agitation and support every measure intended to restrict and cripple the organization of capital. Nay, more than that; large corporations frequently put numerous difficulties in the way of small ones, and strong labor unions often oppress and sometimes make war upon smaller unions.

Labor unions and employers' associations both seem to be in this belligerent stage of development. Both seem to be inspired by the spirit of antagonism, rather than the spirit of co-operative helpfulness. Of course, both deny this. Laborers deny that their unions are organized or used for coercive and destructive purposes; they will point to the rules and regulations of their unions, and to their official proclamations and literature, to prove that they are opposed to all unlawful and unfair methods. Employers and the public are disposed to adopt the rule, "by their fruits ye shall know them"; and infer the character of unions from their conduct. When they break the heads of non-union men, and strike because a non-union laborer is employed, when they insist upon unreasonable and impossible conditions, when they insist upon work being torn up and done over again merely because it was done by non-union labor, when they persecute by boycott all who do not inconvenience themselves to purchase only such goods as bear the union label, when they insist upon being paid for work they never do, and use coercion to prevent laborers from producing more than a certain amount, the public is loth to accept mere printed rules as a sufficient certificate of character. Labor



unions must live up to their principles, if they expect to be received upon the basis of their proclamations. But all this is equally true of the other side. If employers want the confidence and support of the public, they, too, must live up to their professions.

There is no economic reason why organized labor should not be on the best of terms with organized capital, and *vice versa*. These two forces should, and, if rationally used, would, be mutually co-operative; but when they depart from the economic use of organization, and employ their power for class persecution, instead of for industrial protection, they soon become antagonistic, injurious to themselves, and a menace to society. The clearness with which each can discern the "mote" in the other's eye, while oblivious to the "beam" in its own, is illustrated by the following communication from the commissioner of the National Metal Trades Association:

PROFESSOR GEORGE GUNTON,

Dear Sir:—I have read, with a great deal of pleasure, your lecture on the Dangers of a Strike Epidemic.

I wish to take exception to one statement you make, i. e., "that Manufacturers' Associations and Metal Trades Associations are organizations of employers whose special purpose is to fight labor organizations." In this you are wrong, and I will say that unqualifiedly. The principles of this organization are those laid down in the Coal Strike Commission's Report as regards the organization of labor, that no discrimination should be made against any member merely because of his membership, or non-membership, in labor organizations. We are organized to fight the abuses of labor unions, the very abuses that you complain of in that lecture. Whenever our members deem it to their interest and to the interest of their employes to make agreements with the labor unions, this association helps them in drawing up such agreements, but in no case does any Metal Trades agreement allow the un-American discrimination against a non-union workman. This idea seems to be obscure in the minds of many people, because we will not submit to the unions' unreason, and because, if all feasible means fail to have unreasonable demands withdrawn, our association stands back of a member in a fight, there seems to be a supposition that we are fighting the unions because they are unions.

There is not a single shop in this association in which a union man can not work, if he behaves himself and attends to the business for which he is employed; and, on the other hand, there is not a single shop

in the association which will not discharge any man, union or non-union, for interference with the rights of other employes or of the employers.

I trust that you will give this correction as wide a publicity as the misapprehension has been given in your lecture.

Yours very truly,

E. F. DuBRUL, Commissioner.

Cincinnati, O., April 25, 1903.

It is quite true that the National Metal Trades Association and the Manufacturers' Association are organized for the purpose of resisting the unfair methods of labor unions. It may also be frankly admitted that they came into existence as the result of the uneconomic conduct of labor unions; but it must be admitted that labor unions were formed as a protection against employers in the early part of the last century. The real question in both instances is, not what the purpose of these organizations is, or what is promulgated by their constitution and by-laws, but what they actually do. The National Metal Trades Association and Manufacturers' Association, like the trade unions, must be judged by their conduct. Unfortunately, the conduct of these employers' associations does not measure up to their mottoes.

The first efforts of the Metal Trades Association were among the best that have ever been made by employers toward promoting harmonious industrial relations. This association carried the agreement plan with the unions to greater success than had ever before been attained. It recognized the unions, and entered into an agreement by which strikes should be prevented and all difficulties adjusted by arbitration. This wise and entirely practicable arrangement bid fair to give to the world a practical illustration of the feasibility of establishing industrial peace without the sacrifice of equity or honor. Had the agreement been lived up to, there is every reason to believe it would have been a complete success. The breaking of this agreement\* appears thoroughly to have discouraged the members of the National Metal Trades Association. Instead

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\*A full account of this will be found in GUNTON'S MAGAZINE for September, 1901.

of trying to renew the experiment, and avoid the weak spot, this association took a reactionary attitude. Like Mr. Markle, in the coal regions, because its first attempt at harmonious arrangement failed through a technical defect, it refused to treat with labor unions, and tried to dignify its proclamation by the name of "A New Declaration of Independence."

The Manufacturers' Association, which was first organized for the purpose of promoting the industrial interests of manufacturers, has, little by little, grown to partake of the spirit of the National Metal Trades Association.

Each of these associations has an organ. The Metal Trades Association publishes a monthly bulletin called "A Magazine for Employers of Labor," and the Manufacturers' Association publishes a bi-weekly paper called "American Industries, The Manufacturers' Paper." If we are to judge the organizations by what they do, then we must judge them by the spirit and attitude represented by their official organs, since it is there that the real purpose and effort are presented. Several copies of both these publications are before us, and it is no exaggeration to say that both are chiefly devoted to saying the most offensive and altogether irritating things about organized labor. No recognition of the merits of organized labor is to be found in their pages. To be sure, they do not proclaim in so many words that their purpose is to suppress trade unions, but in every feasible way they present the objectionable features.

The obvious intention of all this is to impress their readers with the idea that trade unions are vile things that should not be tolerated. This is thoroughly characteristic of both publications. They are somewhat differently conducted. One is in the form of a newspaper, and the other in that of a magazine; but in this particular they are identical,—the editors of both journals print or reprint anything that is said against labor unions, whether verified or not, and always with the most objectionable caption that editorial wit can invent.

Mr. Parry, the president of the National Association of Manufacturers, as the spokesman for his organization, enforces this attitude on every available occasion. It should be said, however, that when Mr. Parry was first elected president



he wrote many excellent things on the subject. In one address, which was published in "American Industries," he was pronouncedly in favor of labor unions, pointed out their virtues, and altogether took a most liberal and progressive attitude. But the labor unions advocated the passage of a bill by congress, providing that no contractors doing work for the government should be permitted to employ their laborers more than eight hours a day. This was a very unwise and really unpractical proposition. It was severely criticised in these pages. It was one of the foolish things advocated by organized labor that did not succeed. This eight-hour proposition, however, seemed to strike Mr. Perry very adversely, and he entered into a very energetic opposition. Like Mr. Markle and the Metal Trades Association, he grew hostile and even bitter, first toward this measure, and then toward labor leaders that advocated it, and finally toward labor unions themselves.

For a considerable time Mr. Parry has kept up an active warfare upon labor unions. In his annual report to the National Association at its convention in New Orleans, on April 14th, he devotes nearly fifty out of sixty-four printed pages to various kinds of attacks upon labor unions, and much of it is in the most offensive form. To be sure, most of it is made up of quotations, but all of these are apparently approved, with the result that his address practically pictures organized labor as a loathsome thing, which the manufacturers of this country should organize to annihilate. Some idea of the spirit and character of Mr. Perry's address may be gathered from the following editorial from *The Wall Street Journal*, which cannot be suspected of having any bias in favor of labor unions:

There is a violence of language, which is sometimes worse than violence of conduct. Just as libel is worse than a blow, so exaggeration of statement may do more injury than even a breach of the peace. From this point of view, therefore, the address which Mr. D. M. Parry, of the National Manufacturers' Association, delivered at a meeting of the association at New Orleans, is as harmful in its effect as even the physical outrages committed by the strikers in the recent outbreak in the anthracite coal field. . . . Violence of language is usually the accompaniment of violence of conduct. Both generally go together. Both are the offspring of ignorance and passion. . . . When Mr.

Parry, in urging the organization of the manufacturers of the country into an association to oppose the power of organized labor, declares that organized labor knows only "the law of physical force," the "laws of the Huns and Vandals," "the laws of the savage;" that it is "a despotism in the midst of a liberty-loving people;" that its history "is stained with blood and ruin;" that the wrongs committed "cry unto heaven;" that it holds "a bludgeon over the head of every employer;" that it extends its tactics of "coercion and intimidation" everywhere; that it "places a premium on indolence and incompetency;" and it drives unwilling men into its ranks by "intimidation"—when he says all this, he is using language which, by its exaggeration of statement, is as violent as the very violence which it condemns.

We were reluctant to believe that Mr. Parry's expressions on this subject correctly represented the Manufacturers' Association; but with Mr. Parry's address before it, the New Orleans convention unanimously re-elected him president. Furthermore, the association invited Mr. J. Kirby, Jr., of Dayton, to address the convention on this subject. Mr. Kirby is an anti-union fanatic; he is giving much of his time to delivering addresses and otherwise "booming" the anti-union sentiment among manufacturers. This was known to be his attitude, and his address was a veritable tirade against trade unions; it was really an appeal to organize against organized labor. To be sure, the convention did not adopt Mr. Kirby's resolutions, but it enthusiastically received his address. The New York *Financial News*, which reprinted the entire speech, with a seven-inch, three-column heading, says: "Mr. Kirby's radical views on the subject were well known to the delegates. On the first day of the convention he had nearly caused a stampede when his resolutions were presented."

All this is cumulative evidence, strongly indicating that, regardless of what they say in their constitution and by-laws, these employers' associations are essentially making war on labor unions. It is useless to deny what is so manifest. As well might labor unions deny that they intimidate non-union laborers. If these movements continue, it can have but one result, namely, a labor war that will disturb the business and threaten the peace

of the country. Of course it may weaken labor unions, but it will also do much to destroy the success of capital.

In view of this, it is pertinent to inquire: "How has this come about? What has led the employers to take this course?" It certainly is not due to their wanton propensity to persecute. It cannot be ascribed to traditional class hatred, nor even to personal unkindness, for none of these is characteristic of the average American manufacturer. When investigated, the real cause of this organized crusade against labor will be found to be a reaction from the utterly unreasonable persecuting policy of the labor unions themselves.

To read the pages of "American Industries," or Mr. Parry's address, or the magazine of the National Metal Trades Association, one is moved to denounce these organizations as the acme of unfairness; but if we turn our attention to the action of labor unions, we see every form of persecution. We see the non-union laborer persecuted and buffeted from pillar to post. We see a strike declared and extended to multitudes of industries because a single non-union man is working on some remote job. We see, as in the city of New York, carpenters refusing to use doors and windows manufactured in another city, not because they are made by non-union men, but because they strike against the use of the products of other union men. The products of manufacturers in Syracuse, for instance, are prohibited by the unions from being used in New York city. Granite, to be used in great buildings, must not be dressed even by union men in New Hampshire, Maine, or wherever the quarries are; but it must be brought to New York in the rough, in order that the members of the New York unions shall do the work, which causes the work to be done under the most expensive conditions.

As if this were not enough, we have the exhibition of a strike ordered on all buildings erecting in New York city by one organization of carpenters, because carpenters of another organization are employed. The Brotherhood of Carpenters and Joiners is an old organization. For reasons satisfactory to themselves, a large number of carpenters became dissatisfied with the management of the organization, and formed another



called the "Amalgamated Society." These workmen get the same pay, and in all respects are in the same condition; but, in order to suppress the Amalgamated Society, the Brotherhood has ordered a strike. To use the exact words of Thomas J. McCracken, Business Agent of the Brotherhood, "There is room for only one organization, and that will be the Brotherhood. The Amalgamated Society is a foreign institution with only 2,700 members, while we have 145,000 throughout the country. Not fifty per cent. of the Amalgamated Society are citizens. This fight may go over the entire country until we either wipe out the Amalgamated Society or swallow it up."

This is a sample of the persecuting intolerance of labor unions. The Brotherhood wants a monopoly, and will use the same persecution to stamp out a brother organization as it will to exterminate scabs, non-union men or employers. This dictatorial, utterly unfair, and intolerant spirit is frequently carried so far that, if a single non-union man has been employed, and his discharge is demanded, the union is not satisfied with the man quitting work, but all the work that has been done while he was there that contains an hour of his labor, shall be undone and done over again, which is purely a policy of persecution.

Instances of this kind are common. A case occurred not long ago in which a load of sand that had been hauled by a non-union man by mistake got into the mortar used for another building. When this was discovered the offender was discharged and all the mortar in which this sand had been used was taken off the walls and thrown away.

It is not surprising that this kind of conduct should create revolt among employers. In any community where there is a spark of individual freedom the result could not be otherwise. Such contrary despotism can not long be tolerated. Reaction is sure to come, and when it does, the spirit of fairness, as represented by public opinion, will not sustain the laborers. If they want fair treatment, they must give fair treatment.

The reaction has, indeed, already begun. Injunctions, anti-union organization of employers, and the holding by the courts of union funds for damage by picketing and boycotting,

are all a part of it. Following the lines of the Taft Vale case, a Vermont court has just mulcted a union in damages for the injury of a firm's business by picketing and boycotting. In Waterbury all the funds of the unions have been attached in a case for damages by the corporations in the same way.

If the laborers hope for the support of the public against this extreme use of injunction and the mulcting of members of unions in heavy damages, and if they hope to get any fair consideration from the press against the persecution of anti-union organization of capital, they must rise to the plane of fair-dealing in their own organization. If we are to have despotism and persecution, it will not be the despotism and persecution of laborers. No community will long endure that. When it comes to despotism and persecution, and a struggle to show which shall win in such a fight, capital will be found to take a liberal hand.

The true solution of this difficulty is the honorable recognition of organization by both parties. This will have to come after the fight. Why can it not just as well come before the fight? All that is necessary is that the unions abandon their policy of persecution and despotism, live up to honestly-made contracts, practise as well as preach personal freedom, make union membership a voluntary act, and hold together their organization by the benefits the union gives to its members, and not by the persecution of non-union laborers. If unions would adopt this policy and honorably live up to the principles they proclaim, persecution by any non-union organization of employers would soon become impossible, and repressive legislation, as well as extreme interpretation of the law by courts, would disappear. Organized labor must learn, sooner or later, that it can not and will not be permitted to dictate by coercive methods all the conditions of industry. Public opinion, employers, the courts, and all the influences of society, will finally turn against such a policy. On the other hand, all the presumptions of modern society are in favor of labor having the utmost freedom of action and organization, if it will not violate the spirit of freedom and the rights of others in the exercise of its power.

## "ROASTING GUNTON'S MAGAZINE."

Congressman C. E. Littlefield, addressing the students of the University of Michigan, at Ann Arbor, is reported by the *Detroit Journal* as "roasting GUNTON'S MAGAZINE" thus:

During the last session of congress I received a letter from a man named Gunton, who runs a magazine. He sent me a marked copy criticising an anti-trust measure introduced by me as demagogical and revolutionary. This measure of mine was an amendment to the Sherman anti-trust law; it did not alter that law, but only defined some of the penalties for infraction of the law.

History requires that Mr. Littlefield's assertion be corrected in several respects. Part of it is untrue, and the other parts are too disingenuous to be given unedited to university students. In the first place, Mr. Littlefield did not receive a letter from Mr. Gunton on any subject whatever; nor was Mr. Littlefield described in GUNTON'S MAGAZINE as "demagogical" and "revolutionary," though he might properly have been so described. What GUNTON'S MAGAZINE said on this point (March number, page 189) was:

Nothing has occurred in many years more completely revealing the flippant and demagogical character of politics in congress than the pulling and hauling, the dickering and posing to the galleries, on this question of anti-trust legislation. Nor has this been confined to any particular section, faction, or party. It has characterized both branches of congress, and the administration as well.

All this is painfully true, but it had no special reference to Mr. Littlefield personally. In thus assuming that criticisms directed to both branches of congress and to the administration are directed personally to him, Mr. Littlefield is giving himself an importance which few will be willing to grant him. Fortunately for the country, he is neither the house, nor the senate, nor the administration, nor the accredited representative of any one of them. To be sure, he allowed himself to be quoted all over the country last summer as the "personal representative" of the President, and allowed the public to believe that he had



been entrusted with the task of preparing the administration measure on trusts; but the President personally denied that Mr. Littlefield represented the administration on the subject; and if the house and senate had been consulted there is little doubt that both of them would have done the same thing.

The reference to Mr. Littlefield's bill (page 195) was:

As we go to press, the senate judiciary committee has voted to report favorably Mr. Littlefield's bill, with certain amendments, which make it more inquisitorial and coercive than when it passed the house. . . . In place of section 6, prescribing the pains and penalties for enterprising business which may interfere with competitors, the committee adopted the following, in comparison with which Mr. Bryan's speeches and the Kansas City platform are dignified conservatism.

It will be seen that what is here criticized is not Mr. Littlefield's bill, but that which was substituted by the senate committee for portions of his bill, which were even worse; so that none of the criticism referred to was directed to Mr. Littlefield, but to those who were a little worse than he, which, in all conscience, was unnecessary. But it is interesting to note how eager Mr. Littlefield is to assume that all the criticism on anti-trust legislation relates to him. He apparently thinks it is better to be notorious than not to be known at all. He says: "This measure of mine was an amendment to the Sherman anti-trust law. It did not alter that law, but only defined some of the penalties for infraction of the law." If it did not alter the Sherman law, then why was it introduced, and of what consequence is it? The fact is, however, that the material it introduced did alter the law, or would have done so had it been passed. It was the very introduction of the pains and penalties, which were cited in these pages from his bill at the time, which made it objectionable. Indeed, these were so objectionable, so persecuting in their nature, that even an anti-trust congress would not adopt them.

"Now," says Mr. Littlefield, "it is about twelve years, nine months and twenty-seven days since the Sherman anti-trust law was made a law of the land, and I hope that Mr. Gunton, who is a veritable mine of accurate, up-to-date, and intelligent information, will discover that industry has not been paralyzed

in twelve years, nine months and twenty-seven days." As if every grown person conversant with affairs didn't know that the reason the Sherman law has done no harm to business is that it has been a dead-letter. Like much of the present anti-trust agitation, the passage of that law was more for political effect than for business protection. It was an effort to outbid the Democrats for the popular vote against trusts. It was not expected to be enforced. It was admitted by the best legal minds to be so radical that it would have disrupted business organization if it had been enforced. Of course business has not been disrupted during these twelve years by the Sherman law, because the law has been ignored; and nobody knows this better than Mr. Littlefield. Clearly, therefore, his reference to the Sherman law as not having done any damage, could have been intended only to mislead the young students he was addressing.

Since congress adjourned, however, and without the aid of Mr. Littlefield's amendments, the Sherman law has been enforced in the Merger case, and the opinion of the court, as given in that decision, shows how dangerous the Sherman law really is. Of course, it does not make everybody connected with the affected industries criminals, subject to state's prison and heavy fines, as Mr. Littlefield's amendments would have done, but it makes every integration of existing business concerns into larger ones a conspiracy and in restraint of trade, and a crime against the law. If logically carried out, this decision would put an end to every large concern in this country. Moreover, according to this decision, it matters not whether the new organization be composed of previously existing corporations, partnerships, or individual business men. It is a crime just the same. Nor does it matter if its actions are all beneficial to the public; if it has the power to restrain trade, although it is using that power to promote trade, it is deemed guilty. Though the motive of the organization and its daily practise is to help the public and increase trade, it can be convicted of conspiracy in restraint of trade. In short, motives and facts do not count; it is only the power to do wrong that is considered. On that plan, the average citizen could be

hanged for murder any day, because there are many occasions when he might commit murder, though he has no intention of ever doing so.

One of three things will be sure to occur in regard to this business-destroying measure, the Sherman law; namely: it will again have to become a dead-letter, or be greatly modified so as to restrict only such corporations as are restraining trade and injuring the public; or it will interfere with business and destroy the very means of prosperity and farther industrial development. If it is not enforced and is permitted again to become a dead-letter, it will show that the performance in the Merger case was insincere, was a political exhibition, or was manifest discrimination against large organizations in the West, while leaving untouched similar organizations in the East. If it is enforced with the same rigor in all other cases to which it applies, it will speedily dissolve our most successful corporations and give us a panic. This would surely defeat the administration that undertook it. The rational and only sensible thing to do, which it is to be hoped the present administration will have the conservatism and character to recommend, is the modification of the Sherman law so as to make it apply to real, and not merely to possible restraint of trade, and thus make it a protection to legitimate industry by furnishing a check to improper business enterprises.

But the worst fact regarding Mr. Littlefield's speech is that it was delivered to the students of a great university. To misrepresent questions of great national importance to such a body of young men is to pollute public opinion at its very source. Had Mr. Littlefield's speech been delivered in congress, where he is better known, what he said would have been a matter of comparative indifference, since no one there would have been in danger of being influenced by it.

It is unfortunate that in politics there should be such a willingness to get notoriety by questionable methods. A man who will knowingly permit himself to be falsely quoted as the "personal representative" of the President and of the administration on a great political question, may be expected to take all sorts of liberties with facts in other directions.



## THE LABOR CRISIS

This country is passing through a critical experience with the warring factors of industry. We are in a state of high business prosperity, and yet unrest, uncertainty, and even fear, pervade almost every field of enterprise. Strikes, boycotts, and injunctions are performing their disturbing work in almost every industrial community, and where labor organizations are complete, as in the building trades in New York, the unions are "striking" against one another, with no grievance whatever against their employers. The Brotherhood of Carpenters is on strike for the sole and simple purpose of destroying or absorbing the Amalgamated Society of Carpenters, for the only reason that the former will not tolerate a second organization.

All movements when they get very strong become despotic, and to that extent create a reaction either within their own ranks or in the community. The rapid growth of labor unions, and the corresponding exercise of objectionable methods, has created a violent reaction among employers, and now we have a movement for organizing employers that is as sweeping as the action of labor unions.

A year or two ago, the nation was exercised over the seeming stampede of so-called "trust organization" among corporations. It was feared that all the ills depicted by the anti-monopolist imagination would be upon us, and our personal freedom and political rights would vanish while we slept. None of these predictions are coming true. Instead of the corporations having disrupted business, ruined small concerns, oppressed labor, and abnormally forced up prices, they have manifestly exercised an opposite effect. They have steadied business, given an altogether more regular and normal movement to prices, wages have risen instead of fallen, and prosperity has assumed a permanent aspect, and if it is not disturbed by political folly, or labor union perversity, it may become a normal condition for many years to come. Happily, the fear of volcanic eruptions created by large corporations is gradually subsiding.

But now disturbance is threatened in another quarter. Of course, it will not do to judge the real nature and tendency of labor disturbance by surface indications. It is quite safe to say that more than three-quarters of what is printed in the daily press is sensation, largely created by the newspapers themselves for the purpose of stimulating circulation. Under this newspaper froth, however, there are many real hopeful signs of a rational outcome of the whole situation. It is indeed true that there is considerable bad feeling on both sides, but that is temporary. Passion often subsides with a single conference.

It will not be denied that the movement for organization among manufacturers to resist the despotic actions of trade unions is the result of a real grievance. It is not all because employers are opposed to unions, but because the unions have developed a spirit of intolerance and exercise an authority and interference with business that can not permanently be endured. The first reaction, of course, was that of a feeling on the part of a few spirits who thought "war to the knife" must be made upon labor unions; but as the movement develops and takes on serious proportions, the idea of stamping out labor unions is seen to be impossible. When the heat of feeling passes away, and the sense born of wide experience gets the floor, the idea of union extermination vanishes like a mirage. Signs that sense is superseding sensation in the movement of manufacturers are occurring every day. The best and most influential minds are beginning to assert the sane and only reliable principle in the situation, namely, that employers must be organized, not to fight and destroy trade unions, but to parallel them, so as to be able to resist their unreasonable demands and check the growing spirit of dictation in working men over the administration of business with which they have practically nothing to do. Some of the best men in the manufacturers' association are taking this view, and a considerable proportion of the members of the metal trades association (with the number rapidly increasing) stand for the same thing.

In the building trades in New York City, where the crisis is most severe, the same signs of sense and ultimate harmony

are becoming manifest. The newspapers and a few anti-union employers have recently been making a desperate effort to get up an anti-union movement. The important provocation for this was, of course, the strike in the subway and the strike of the Brotherhood of Carpenters against the Amalgamated Society. The papers have "boomed" the movement as one that was to storm and sweep away the bulwarks of unionism; but, fortunately, when the meeting really took place, the spirit of anti-unionism proved to be weak. The strong element in the movement, represented by some of the largest employers, was the proposition that employers should organize in their own behalf and have a federated employers' association on parallel lines with the trade unions; so the outcome of that movement is very likely to be more and better organization, instead of war to destroy organization. And this is the sensible, because it is the only feasible, line on which employers can organize to promote their own and the public's interests.

Despite the seeming chaos in the ranks of organized labor, there is a really strong, sane element at work there also. The subway strikers, for instance, who would not submit to arbitration, were renounced by the federated trades of which they were members; and so the influence and support of organized labor were withdrawn from them because of their irrationable and utterly indefensible attitude. The strike between the two carpenters' organizations is also developing signs of rational adjustment. Because the Brotherhood of Carpenters is much stronger than the Amalgamated Society, it assumed the right to absorb or annihilate the other organization; but this is so completely contrary to the spirit of fairness that the entire building trades federation was against it, and supported the Amalgamated Society in its refusal to be absorbed. Public opinion is definitely against the Brotherhood, as are also all employing contractors in the building trades.

But this matter is now under a process of rational consideration. The Civic Federation of New York, with the aid and co-operation of both unions, is devising a plan that shall furnish a basis for an amicable adjustment by which each organization can have a full co-operation with the other without



sacrificing its vested rights. In the case of the Amalgamated Society, this is an important factor. It has important out-of-work, sick and poor benefits, and its international treasury is very rich. If it is destroyed by the Brotherhood, its members will lose all these benefits, which, of course, they are very reluctant to do. All this shows that while there is great commotion, some feeling and much apprehension, on foot, the silent forces of sanity and evolution are at work, which will not only bring peace, but organized order out of chaos.

The evidence of growing sanity in the labor ranks was very clearly indicated at the recent dinner of the Civic Federation, by the speeches of John Mitchell and other labor men on the one side, and Senator Hanna, Mr. Marks, Archbishop Ireland, and others, on the other side. Mr. Mitchell emphatically declared himself as utterly opposed to the policy of restricted output, the interference with non-union men, and many other practises in which unions have frequently indulged.

"*The Garment Worker*," the organ of the United Garment Workers of New York, takes even a more advanced step in this direction. In an editorial on "The Warfare Against Unionism—and How Shall It Be Met?" this paper discusses the situation in a broad and most statesmanlike manner. It says:

The hostile declarations of President Parry, of the National Association of Manufacturers, against the unions, followed by the formation of business men's associations for the avowed purpose of fighting unionism, are evidence of the belief entertained by many employers that the vast power acquired by the unions is being used despotically, and that the tendency is to become more so as their prestige increases.

So pronounced has this opposition become as to give rise to serious concern on the part of those most active in the labor movement. The welfare of the cause will not be served by making light of the accusations or belittling the antagonism engendered. Neither will it avail to reply in kind or to make extravagant claims for the unions. The better course is to consider the criticism calmly, and to ascertain to what extent it is well-founded, in order to remedy deficiencies.

The working class has all to gain by fair play. Until of recent years, helpless and disunited, it was long kept close to the life-line. The pressure of society bore heavily down upon it, and it could offer no counter-resistance. Through concerted action it has now gained a firm footing,

and has secured a measure of independence, a larger share in the product, and more recognition from society. There is nothing to interrupt its steady rise if its higher purposes are kept in view and it strives for the attainable. Should it depart from that course, its steps will have to be retraced at a great cost.

The present organized movement against unionism means something more than mere normal opposition. It is due rather to the fear that industry is being menaced by an irresponsible and insatiable power. The unions can allay that fear only by the force of example—by demonstrating that it has no real basis.

The speeches of Senator Hanna, and the testimony of numerous large employers who are active in the movement for the organization of employers, show that the idea of not tolerating unions is disappearing, and the conviction is growing that the inevitable and only way to meet labor unions and prevent them from becoming despotic disturbers of peace is for employers to organize along parallel lines, to protect the interests of employers and the public, and so match organization with organization. We shall then have specialists to compete with specialists, and the small pettifogging tactics on either side will become impossible. Unions must learn that they must live up to their contracts and be responsible for the conduct of their members, or they will have no standing in the community; and employers will learn that fair treatment and reasonable recognition must be granted, or they will have no standing. When both sides are thus organized for business purposes, instead of for warfare, co-operation instead of antagonism will be the natural outcome, because it will be the common interest of both.

If the press will make half as much effort to encourage the co-operative spirit of the two movements as it does to inflame the conflict, a few months will see what now looks like a labor war transformed into a more practical working relation between employers and laborers in the great industries of the country. That once accomplished, the problem that now threatens industrial disruption will have been more than half solved.

## OUR PROBLEM IN PORTO RICO

CHARLES DE GARMO.

Our problem in Porto Rico is to Americanize a million immigrants who have brought their country with them. Had they left it behind, distributing themselves among us as other millions have done, there would have been nothing new in the task. But, as matters stand, the work is both new and difficult.

To Americanize people of other civilizations is to fit them for liberty and self-government. When foreigners come here, we expect little change in the adults, but place our reliance in the education of their children. This education comes partly through the school, but more largely through participation in American life. In the case of Porto Rico, however, we can but partially affect the school education of the children, and must content ourselves with what little spirit of American life we can manage to impart through our officials, teachers, and business men.

Porto Rican society seems to have been made up of two classes, the exploiters and the exploited. The exploited number ninety out of every hundred inhabitants. We sometimes think we know what exploitation in its extreme form means, but really we know very little about it. In Porto Rico it means reduction to a non-moral state. Marriage, even, was impossible, since the priests charged fees which were prohibitive for the masses. It meant to live on bananas and plantains, and to huddle like beasts in a one-room shack, without beds, tables, or chairs. It meant that the children should go naked, and the adults be clothed like savages. All this shows that, like old Poland, Porto Rico has no great middle class by which modern liberty and self-government can be sustained. In Porto Rico, fraud and oppression have been accepted as a part of the necessary constitution of the world, as evils to be lamented, but borne. With us, however, though injustice is ever raising its head in one form or another, we never accept it as the normal order of things, but keep up the fight against it.



What, then, is necessary if we are to redeem this fair island, making it the dwelling place of liberty and comfort, as it has been the home of oppression and misery? Two things:—

(1) The creation of an intelligent middle class that can comprehend the meaning and value of self-government; and

(2) The differentiation of industries, whereby this intelligent class may rise above the peon state, in which they are today enchained.

The first end is to be accomplished by education under American direction and with American financial support. The second is to be brought about through free markets and the investment of American capital in productive enterprises.

The little island, under the leadership of Commissioner Lindsay and the American supervisors, is doing its utmost to educate its people; yet, do the best that can be done, it can provide teachers and schools for only a little more than one-fifth of the children of school age. Of 250,000 children, only about 60,000 are in school. Long waiting lists are found everywhere of those who would like to attend, but who can not be admitted because of lack of accommodations. Of all insular and local revenue, more than one-fourth is devoted to education. It is safe to say that no other country applies to schools so large a part of its total income from taxation. Had it not been for the rebate of \$2,000,000 that congress allowed from tariff revenues, a considerable part of which was spent in building schoolhouses, the situation would be much worse. If we are to see the regeneration of Porto Rico proceed at a reasonably rapid rate, it is plain that we can not resign the island to its fate, but must be willing to spend there at least a million dollars a year for some years to come. Commissioner Lindsay estimates that instead of spending half a million dollars a year, as at present, the good of education there demands the expenditure of at least \$3,000,000 yearly.

The island is divided into eighteen school districts, over each of which presides an American supervisor, who spends his time riding through the mountains visiting the schools under his supervision. The supervisor sees to it that the

course of study is adhered to even in the humblest rural school. Under Spanish control the schools taught little of anything but the catechism.

The main reliance of the educational authorities for the Americanization of the island is the teaching of the English language. This is a study eagerly pursued by the children, and ardently desired by the whole population. Even the gray-haired grandfather, among the better classes, has his morsel of English. One such, finding the writer knew no Spanish, ventured the following, after due reflection: "The rods ees no bad now," to which his guest joyously assented. During the past year, 105 American teachers have given their best services in the towns in the teaching of English to pupils and to native teachers. The latter number some 837. Every Porto Rican teacher is now diligently pursuing the study of English. If he lives in the country, he comes to town three times a week for his lessons. In Yauco, for example, four American girls have taught English to one thousand school children and to the neighboring rural teachers. Everywhere the children delight to sing American patriotic songs. It gives one a queer sensation to hear them constantly singing about "leebertee" and "land of thee peelgreem's pride." But the amusement is tempered by pathos when one realizes how earnestly every soul is trying to be an American, and yet how feeble are his powers of self-transformation. However, it would be a mistake to think that because the pronunciation is queer, these children know no English; they read it with astonishing fluency and write it with astonishing accuracy. The fact that many of the leading papers are published half in English and half in Spanish, accounts largely for the rapid spread of English among adults.

Industrial education is rapidly springing up. As fast as he can command well-trained teachers, Dr. Lindsay is putting two teachers in each rural school, one to teach in the house and the other out of doors, the children being divided into two classes, half working in the house and half in the garden. In this way, each child spends half his time working with books and the other half with tools. It is expected that in this way

there will be great improvements in agriculture. In Ponce, for example, a charity organization has an industrial school, with which is united a public school. The children alternate here as in the rural industrial schools. Among the things taught is the famous "drawn work" of Porto Rico. More than a hundred poor women and girls are now making a handsome living by this industry. One girl of twelve was recently paid \$8 for her week's work.

In a few years the towns and cities of Porto Rico will be supplied with a large number of young men and young women well trained in mental and manual dexterity. What shall they do? Intelligence and skill without adequate opportunity for productive industry cannot be relied upon as the sure bulwark of civil liberty. It is probable that for a long time Porto Rico will be obliged to content itself with manufacturing industries of a minor order. Coal and the useful metals are either scarce or altogether lacking. Power, however, may be procured by water storage in the mountains. Governor Hunt thinks that a number of profitable industries might be built up in canning and preserving tropical fruits, which grow there in great profusion. At present, manufacturing is confined to sugar, tobacco, rum, and straw hats. It is thought that cotton can be profitably raised and manufactured. There is great possibility for the extension of the brick and tile industry. Thousands of acres are being planted with oranges, lemons, grapefruit, and pineapples, by enterprising Americans. Porto Rico will soon be what Florida hoped to be, namely, the chief eastern center for the production of citrous fruits. Freights are only one-third of those from Florida, frosts and injurious insects are unknown, and the rainfall and soil are all that could be desired. There are wild orange groves in many parts of the island, yet the fruit, even in its wild state, is far superior to that grown in California.

We, in our prosperous country, little realize what Porto Rico has been through in the last four years. In the first place, there was the change of government and the loss of the Spanish markets for tobacco. One of my hosts now gets \$2,000 a year from his coffee plantation, which formerly netted him



\$20,000. Coffee, which four years ago brought upward of twenty cents a pound, now sells at from eight to nine cents. A special price had been obtained from hotels and clubs and restaurants for Porto Rico coffee. This demand now failing, the coffee of Porto Rico must come into competition with the cheaply produced coffee of Brazil, and without any special demand on the part of American connoisseurs. The two other chief industries of the island, namely, sugar and tobacco, are thriving under the stimulating effects of a free market in the United States.

In the next place the money of Porto Rico was displaced by that of the United States, causing confusion in values. Then came that terrific hurricane that devastated the whole island, destroying the huts of the peasants, and laying waste the coffee and tobacco plantations. Yet, in spite of all these discouraging disasters, Porto Rico has survived and has begun to prosper. The people cheered to the echo a sentiment that Governor Hunt expressed in Spanish at the close of an address in English:—"Let us forget the past; let us contemplate the present; let us have faith in the future."

It was the good fortune of the writer to travel for six days in the party of Governor Hunt and his distinguished guest, Miss Alice Roosevelt, and to witness the spontaneous outburst of patriotism and hospitality that awaited the party at every hamlet, town, and city. No one who witnesses such scenes can doubt for a moment the sincerity of the Porto Rican to become all that we would have him. What his success will be depends largely upon us. In the words of Dr. Sabater, of Guayama: "What this people may become depends upon the attitude of the good people with whom we are now associated. If, in a few years, they weary of us, leaving us to go on our way alone, we shall continue to degenerate; but if the Americans help us to educate all our children and to develop our industries, there is great hope for us. Already the improvement is most marked."

This brief survey of our Porto Rican problem should not be closed without a word about the development of the University of Porto Rico. This institution was authorized at the

last session of the insular legislature. From it Dr. Lindsay expects the highest results. In it he sees a place where the best Spanish and the best Anglo-Saxon learning may be brought together, where Central and South America may send their children, and where they may study best the problems of most interest and value to them. They can, for instance, see before their very eyes the union of Latin and of Anglo-Saxon civilization; the blending of civil and common law; the education of a people, not to tempestuous instability in government, but to stable self-rule; and they can study tropical diseases, tropical agriculture, tropical manufacture, under the most favorable conditions. To this university, likewise, many American and European students will flock. In this enterprise, Dr. Lindsay sees the best and most rational support of the Monroe doctrine. "The university," he says, "will be worth five battleships in making this doctrine an essential and unquestioned part of international policy." The university will be begun with the teachers' college and the departments of agriculture and mechanic arts. It is expected that our congress will provide the latter. As for the rest, the Americans in charge at Porto Rico hope that philanthropists at home will see in this institution an unusual opportunity to serve at once their country, the good of civilization, and the cause of education. The building will be in the style of the Spanish renaissance, with which the Pan-American exposition has made us so familiar.

When can we safely make Porto Rico a self-governing unit in the republic? When education under American tuition has produced an intelligent and self-reliant middle class, and when free markets and the investment of American capital have made economic prosperity possible for the masses. Until these two ends are accomplished, it is idle to talk of self-government there, whether in the form of territory or of state, for, without these two conditions, liberty and self-government are impossible.

## RELIGIOUS LIBERTY IN COLONIAL NEW YORK UNDER THE DUTCH\*

R. S. GUERNSEY

Religious liberty is a relative term. To understand its limit or extent in New York when a colony or province we must resort to comparisons with the times and conditions of religious liberty occupied in other communities than that under immediate observation. When that is done with the subject before us we shall see that in some portions of colonial New York it usually flourished much more than in the mother country, whether it be England or Holland, and much more than in any of the other colonies in North America, with one exception. I shall only state at this time the conditions in the colony (province) of New York, and leave it for others to compare with any other country or colony at the period under view. It may seem otherwise from our usual impression, but a thorough examination will show that this assertion is historically correct. In making this comparison we not only use our knowledge and personal observation of conditions at present, but we can see how religious liberty has advanced and receded from time to time until it has arrived at its present condition.

The birth of colonial New York under the English government was when the Plymouth Company, in 1635, granted to the Earl of Sterling the whole of Long Island. Charles I. requested that James Farrett should be the agent of the Earl. This was in 1637. Long Island was then inhabited by thirteen tribes of Indians. The consent of Wyandance, their grand sachem, was necessary to the validity of all Indian grants at that time upon the island.

New Amsterdam was settled by the Dutch about ten years prior to the English settlements in Connecticut and on Long Island. There were in 1635 some Dutch settlements on the

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\*Read before the New York Historical Society.



west end of Long Island adjacent to New Amsterdam, but English settlements there under the Dutch jurisdiction did not begin for many years afterwards. Much dissatisfaction arose from time to time with the administration of the Dutch colonial government toward the English settlers in New Netherland. In this connection, we are only to view the administration of two Dutch governors, as they were familiarly called prior to the surrender to the English.

Governor William Keift began his administration in 1637 and continued until 1647, when Peter Stuyvesant took it up and continued until the English conquest.

The English compelled the Dutch to surrender New Netherland to them in 1664. In that year, previous to the conquest, King Charles II granted by charter to the Duke of York the whole region extending from the western bank of the Connecticut river to the eastern shore of the Delaware river, together with Long Island and the small islands around it. On the surrender of the Dutch to the English, the laws of New Netherland were allowed to remain to a certain extent by the treaty between the Dutch and English in August, 1664. This treaty contained a provision that "The Dutch here [New York] shall enjoy the liberty of their consciences in divine worship and church discipline."

There were three sets of articles drawn up respectively for New Amsterdam, the Upper Hudson settlements, and for the Delaware territories. Although differing in minor details, the features of the sets of articles were closely similar.

We will now turn to view the extent and condition of religious liberty in New Netherland before and after the treaty with the English.

The West India Company long felt that New Netherland did not increase by immigration as rapidly as did some of the surrounding English colonies. They observed that it was religious freedom that was chiefly sought. On June 6, 1641, the West India Company in Amsterdam announced certain privileges and freedom to English settlers that would come within New Netherland as actual settlers or planters. Among other inducements they were promised the free exercise and

enjoyment of religious opinions and to be under the protection of the colonial and home government. They were required to take the oath of allegiance to the Noble Lords States General and the West India Company. This induced many persons to come from other American colonies as well as from the old world to try New Netherland, because of the religious intolerance of their own countrymen. Many left New England to seek in New Netherland freedom to worship God as they deemed proper. The records in some cases that are preserved show how these persons were treated in New Netherland.

There do not appear to have been any English settlers in New Amsterdam prior to 1664, but in other parts of New Netherland they were quite numerous. Governor Keift, whose administration ended in 1647, appears to have taken little notice of religious observances. The population of New Amsterdam was about five hundred persons at the end of his administration, and with only one church for public worship; therefore, there was little cause for any restriction of religious liberty there.

The first settlement on Long Island was in Kings county under the Dutch settlement in 1625, by several families of French protestants from near the river Waal in Netherland, who located near Wallabout bay. No governmental organization was effected, and they were not disturbed by the Dutch. The settlement remained very small up to the time of the English conquest.

Some of the English settlers on the eastern end of Long Island pushed westward to Oyster Bay in 1639, but were promptly driven back by Governor Keift in 1640.

The first English settlement under the Dutch was in 1640, when a colony of Quakers from Massachusetts, in quest of religious freedom, settled at Gravesend under the protection of the Dutch government. Lady Deborah Moody, a woman of rank and wealth, was a prominent person in this enterprise.

In June, 1641, Governor Keift granted, by letters patent or charter, permission to the English to settle among the Dutch on Long Island, and to exercise their religion; to appoint magistrates for civil cases not exceeding in value 40 guilders; to have jurisdiction in all criminal cases not capital; and to

possess the soil free from taxes for ten years, upon condition of taking the oath of allegiance to the Dutch government; but they must build no forts without permission, and use the Dutch weights and measures. All the charters and special privileges granted by Governor Keift from time to time for settlements on Long Island were substantially alike. They were in the form of letters patent or a charter in each case defining the extent of the settlement and its special privileges, and how far the settlers under it were to be subject to the Dutch government, and naming the patentees, and how far they could extend local government for themselves.

The English settlement made at Hempstead, on the west end of Long Island, in 1645, was under a patent from Governor Keift obtained in 1644. They were families that had previously settled at Wethersfield, and Stamford, Conn., as part of the New Haven colony.

The patent from Governor Keift to Lady Moody and the first settlers at Gravesend, is dated Dec. 19, 1645. Among other things, it provided:

To have and injoye the free libertie of conscience according to the custome and manner of Holland, without Molestation or disturbance, from any magistrate or magistrates, or any other ecclesiastical minister that may pretend jurisdiction over them, and with liberty to constitute themselves a body politic as freemen of the Province and town of Gravesend.

In an account of the state of the churches in New Netherland, given in 1657 by Domines Megapolensis and Drisius to the Classis of Amsterdam, they say of the settlement and inhabitants of Gravesend:

They, for the most part, reject infant baptism, the Sabbath, the office of preacher and teachers of God's word; saying that through these have come all sorts of contention into the world. Whenever they meet together, the one or the other reads something for them.

Newtown and Flatbush, on Long Island, were settled by the English under a patent from the Dutch in 1652, that allowed religious freedom.



In 1656 the colony of Hempstead obtained leave from Governor Stuyvesant to extend its settlement to Jamaica, with the same privileges that Governor Keift had given to Hempstead.

The English settlers that came to Flushing, under a patent granted by Governor Keift, held much the same religious faith as that afterwards professed by the Quakers.

The boundary between the English United Colonies, including New Haven and Connecticut, and the Dutch province of New Netherland, was often in dispute, and was not defined until by arbitration on September 19, 1650. The extent of the jurisdiction of each on Long Island was then defined. The boundaries on the main land were claimed by Connecticut and New Haven to the Hudson river, and by the Dutch to the Connecticut river. It was not definitely settled until 1660, when the Dutch relinquished their claim.

When Peter Stuyvesant became director general (governor) in 1647, he at once introduced more restrictions in religious liberty than there ever were before in New Netherland. He was a zealous and intolerant member of the Dutch Calvinistic church, and appears to have executed with rigor the instructions which accompanied his commission. His official oath required "the maintenance of the reformed religion in conformity to the word and the decrees of the Synod of Dorchrecht (Dort), and not to tolerate in public any other sect." The officers under him took a like oath.

According to his instructions from Holland, he introduced the first elective body of citizens in the Dutch province of New Netherland. It was composed of nine men, who were chosen every year by the burghers from 1647 to 1652, inclusive. Eighteen men were elected, and the director general selected nine out of them. Their duties were, among other things, "to promote the honor of God, the welfare of the country and the preservation of the reformed religion according to the Synod of Dort," and to give their opinion on matters submitted to them by the director and his council. It was a judicial tribunal in other matters. From 1652 to 1674 the two burgo-masters (aldermen) of New Amsterdam had the duties of

principle church wardens in the city. The Lutherans were quite numerous in New Amsterdam, but their religion was objectionable. In 1654 they petitioned for permission to worship in a church of their own, and to call a clergyman. Stuyvesant refused this, and they were not allowed to enjoy freedom of worship in their own homes. In 1656 the governor issued a proclamation by which all preachers, not having been called by lawful authority, were forbidden to hold conventicles not in harmony with the established religion as set forth by the Synod of Dort. Every unlicensed preacher who violated the ordinance incurred a fine of 100 pounds Flemish, and every person who attended such a prohibited meeting became liable to a penalty of 25 pounds. In the spirit of this provision, the governor in the same year began to imprison Lutherans. When this intelligence and a copy of this ordinance were received by the directors of the West India Company at Amsterdam, in June, 1656, they replied to Governor Stuyvesant that it had always been the intention to treat the Lutherans with all peaceableness and quietness. "Wherefore, your Honor shall not hereafter allow any more such or similar edicts to be published without our knowledge, but suffer the matter to pass in silence and permit them their free worship in their houses."

The city of Amsterdam wished to encourage the growth of New Netherland. Among the offers made by the city of Amsterdam in 1656 to induce settlers to go to New Netherland was, "That the city of Amsterdam shall send there a proper person for a school master, who shall read the holy scriptures in public and set the Psalms."

At that time New Amsterdam contained only one hundred and twenty houses and one thousand inhabitants.

In 1651 Jan de Illan, made application to the West India Company at Amsterdam for permission for himself and associates to settle in New Netherland. It was thought that their object was to trade with the West Indies. They were Portuguese Jews. Governor Stuyvesant was opposed to their admission. The West India Company approved of it, saying that the Jews had a large amount of capital invested in the Company. The first of them came here in 1654. They were

twenty-seven in number, and were exiles from Brazil. They were required to support their own poor. In 1655 they obtained permission to trade and to hold real estate. In 1656, permission by the West India Company was given to allow Jews to settle in New Netherland, and to enjoy the same privileges as in Amsterdam. This extended to civil and political rights (burgher rights), but not the privilege of exercising their religion in a synagogue or at a gathering. They were not allowed to be employed in public service, or in the military (paying for the exemption), nor allowed to open retail shops, but were allowed to exercise their religion within their own houses.

Governor Stuyvesant did not regard the agreements and guarantees of Governor Keift with the English settlers on Long Island. In 1653, delegates were sent to Governor Stuyvesant to remonstrate against certain abuses and violations of their charter rights. This was not heeded, and when the people again met for a like purpose they were ordered by the governor to disperse.

In 1656 the English sheriff of Flushing was removed from office, fined 50 pounds, and banished, and to remain in prison until his fine and costs were paid, for allowing Baptist conventicles at his house. The same year, Wm. Wickendam was fined 100 pounds for officiating as a Baptist gospel minister at Flushing, and was also banished and imprisoned until his fine and costs were paid. The next year two English Quakers were arrested and imprisoned at New Amsterdam for public preaching. They were discharged with other Quakers who came in the same ship, and left for Rhode Island, where (wrote Domine Megapolensis) "all kinds of scum dwell, for it is nothing else but a sink for New England."

Against the Quakers, who had made many converts and were quite numerous at the western part of Long Island, the ire of the governor was most vengeful.

In 1657 he issued a proclamation that vessels bringing any Quakers into the province would be confiscated, and every person who should entertain a Quaker for a single night was to be fined 50 pounds.



The English magistrates and inhabitants of Flushing were arrested and tried for having presented to the governor and his council a remonstrance against the proclamation against Quakers. At Flushing, the English magistrates, sheriff, town clerk, and a large portion of the inhabitants (in December, 1657) openly, in public meeting, justified the Quakers and refused obedience, and suffered the penalty of the law as a public charge. In Jamaica the largest part of the inhabitants were Quakers. Their meetings were disturbed and dispersed by the Dutch sheriff. Many persecutions followed for holding Quaker meetings and those of other sects not according to the Synod of Dort.

Lady Moody's settlement at Gravesend was also greatly annoyed by the action of Governor Stuyvesant. Lady Moody persuaded him to be less severe, and to respect the religious privileges granted by Governor Keift's patent.

In 1658, Governor Stuyvesant and his council banished a Lutheran clergyman from New Netherland, and ordered him to return to Holland.

In September, 1658, an ordinance and proclamation was issued, providing that "Besides the Reformed Religion, no conventicle shall be holden in houses, barns, ships, woods, or fields, under penalty of fifty guilders for each person, man, woman, or child, attending, for the first offense, double for the second, quadruple for the third, and arbitrary correction for every other." The preamble to this stated that the previous ordinance against conventicles (in 1656) was being evaded.

Violations of this ordinance became so frequent, and the punishment so severe, that complaints were made to the West India Company, who directed him to permit in future the free exercise of their religion to all persons within their own houses, and though commended for banishing an unauthorized Lutheran clergyman, he was instructed to use moderate measures in future. The governor's ordinance was modified by his disclaiming "any lording over the conscience, or any prohibition of the reading of God's Holy Word, and the domestic praying and worship of each one in his own family."

The West India Company, however, wrote back to Governor Stuyvesant in further admonition, as follows:

The consciences of men ought to be free and unshackled so long as they continue moderate, peaceable, inoffensive, and not hostile to the government. Such have been the maxims of prudence and toleration by which the magistrates of this city (Amsterdam) have been governed, and the consequences have been that the oppressed and persecuted have found among us an asylum of distress. Follow in the same steps and you will be blessed.

This reprimand to the intolerance of the course which Stuyvesant had pursued arrived in New Amsterdam in 1663. From that time up to the English conquest the next year there was little opportunity to see its effects; but Stuyvesant said: "The Englishmen enjoy more privileges than the exemptions of New Netherland grant to any Hollander."

When the English took possession of New Amsterdam in 1664 the chaplain of their forces held service according to the Church of England by invitation of the Dutch in the Dutch church within the fort. To quote Dr. Dix:

And so to their old church of St. Nicholas inside the fort did their people continue to wend their way in absolute security, though English sentries were at the gates; and within the walls over which the standard of England waved did the good Dutch Domine speak his mind as freely as ever to his spiritual children; no was it until they had finished their devotion and withdrawn that the English chaplain ventured within the same house of worship to read his office from the Book of Common Prayer.

This is the first record of the public use of the Book of Common Prayer in the province of New York.

## TAXATION OF FRANCHISE VALUES\*

EDWIN R. A. SELIGMAN

In the first place, let us inquire how it happens that the problem of the taxation of franchises is peculiar to the United States? How does it happen that we do not hear of the difficulties of franchise taxation in England or in any of the continental countries of Europe? I can answer that query by putting a second question. When you ask a man in England how much he is worth he will say so many thousand pounds a year. He plainly refers to his income. On the other hand, ask a man in this country how much he is worth, and he will say so many thousand dollars, evidently referring to his capital. Reduced to its last analysis, this means that different countries have different methods of estimating wealth. Abroad, they use the income measurement of wealth; in this country we use the capital measurement of wealth. If there were time it would be interesting to explain how this difference came about. I can, at all events, say this, that in the middle ages, where land was the chief form of property, land was worth only what it would bring in the way of rent. It never was bought or sold. Accordingly, the rental or income valuation came to be the measure of value all over the mediæval European world. On the other hand, when America was settled, the feudal system had already largely faded away at home. Land was soon bought and sold in the colonies as all other commodities were bought and sold. When the transfer took place, the sale was effected on the basis of its capitalized income, its property value. Consequently, we have the property measurement of wealth, with the property tax, while Europe still has the income measurement of wealth, without the property tax.

So much for the chief reason why we have the problem with us as a peculiar problem. Franchises do not exist as

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such in the thought of any European, because corporations, like individuals, are taxed upon their entire income, not upon their property, and because income from a franchise is not differentiated from the income from the other ingredients that go to produce the earnings.

Now, secondly, what is a franchise? I shall not here attempt to enter into a recondite economic description as to what a franchise actually was in the Middle Ages, or further back. For the present, in New York, as well as in most of the other American cities, the word franchise is applied to three different conceptions:

First, is what the Supreme Court of the United States calls the right to become or to be. We accord to a certain number of individuals the privilege to become a corporation, to have perpetual life, to possess limited liability, and so forth. This privilege to become a corporation is often called a franchise, and some states tax this privilege and call the tax a franchise tax. In most of the states, however, it is more properly termed an incorporation fee, a charter fee, or something analogous.

The second kind of a franchise is the franchise, not to be, but to do—the franchise to do something, the privilege not simply to become a corporation, but to carry on business and to make money as a corporation. This is the sort of franchise which, under the laws of most of our states, is sought to be reached when a general corporation tax, as distinct from the charter fee, is imposed.

Finally, we have in New York and a few other states a third kind of franchise—not a franchise to become, not a franchise to act, but a franchise to make use of certain special local privileges. Those franchises, or those privileges, apply specifically to our quasi-public municipal corporations, like street railways, gas companies, and so forth, and are something over and above the franchises granted to the ordinary business corporations, whether to be or to do. This is the third kind of franchise, a franchise to use the public streets of the city, to burrow beneath them, or to go above them. This particular kind of franchise is what we in New York call a special fran-

chise. Therefore, you see there are three kinds of franchises: the franchise to become, the franchise to do or to act, and the franchise to make use of certain local privileges.

The problem to which you have asked me to address myself is connected with this third franchise; not with the first kind of franchise, nor with the second kind of franchise, but with what is known as the special franchise.

We come now to the third point, namely, what is understood in this country to-day by the franchise tax, as we meet it in our courts of law. We find two great examples of a franchise tax, which differ fundamentally in their economic sense. In the one case, what we call a franchise tax is simply the general tax on corporations. This is the outgrowth of the difficulty we have had in applying the general property tax to corporations. The general property tax assessed by local assessors on corporations in general or on any class of corporations in particular has proved almost everywhere a dismal failure. Therefore, in order to overcome the difficulties of the general property tax, most of our states impose a general tax on corporations in a little different way, and call it a franchise tax. You will ask, why do they call it a franchise tax, rather than a property tax? Why is our general corporation tax in this state, for instance, called a franchise tax, although it is assessed on property? Simply because if you call a thing a franchise tax you avoid a great many difficulties which inevitably attach to it if called a property tax. For instance, the constitutions of nearly all of our states require a uniform taxation of all property; consequently, if corporate property is taxed as part of the general property tax you must tax the corporation in precisely the same way as an individual. But this has proved to be impracticable. Hence, in order to be able to tax it in a little different way we call it a franchise tax. This illustrates the utility of legal fictions.

Second, we have in addition to the essential difficulties connected with taxation in general, the special difficulties which arise from the fact that we are living under different kinds of government, local, state and federal. Our Federal constitution imposes certain restrictions upon state taxation

so far as interstate commerce is concerned. If you tax property you cannot reach the property employed in interstate commerce; but if you call the tax a franchise tax and measure the franchise by some such standard as property or gross earnings, or by any other standard, the Supreme Court of the United States holds that that system does not involve any interference with interstate commerce. Therefore the institution of the franchise tax is a method of evading certain constitutional restrictions.

I might go on and call attention to three or four more reasons why in this country our general corporation tax—the taxation on corporations in general—is often called a franchise tax, whether we levy it according to property or according to earnings, or according to stocks, or according to bonds, or according to anything else, for we have not less than fifteen or twenty different ways of taxing corporations in this country. As long as you call it a franchise tax it is all right. That is why we hear so much of general franchise taxes.

We, however, have to deal with our subject from another standpoint—from the standpoint of economic theory. We must brush aside these legal fictions and ask: What really is a franchise? The question is brought up by the fact that in many of our state constitutions and laws we find a provision that corporations shall be taxed upon their property, including franchise; or that they shall be taxed upon their property, plus the franchise; or that they shall be taxed in a certain way on the franchise, irrespective of the property. What is this economic entity, this franchise which differs from the ordinarily taxed property? Perhaps we can most clearly answer the question by a few illustrations. When you buy out a corner newspaper stand, for what do you pay? Evidently not for the stock in trade, for that disappears every day. Evidently not for the stand, which is worth only a few dollars. You pay several hundred dollars for what the boys call the route; that is, the privilege of serving a definite number of customers. Again, if you buy out a business, for what do you pay? You pay for much more than the stock in trade of that business; you pay for the good will of the business. Again, when the



steel trust was incorporated, what did it include? Simply the tangible property, the mills and all that sort of thing? No; it included a great deal more than that; it included all the established business connections and the opportunity of making profitable use of the property. Economically a franchise is nothing but this indefinable something, this good will, this opportunity to turn the tangible property to account, to make something out of it. Hence, if you are going to measure corporate property simply in terms of tangible, visible, physical property, you have not got the whole of that company's property. You have got to add to it what in the case of a business we sometimes call the good will, but what, in the case of a corporation, we call the franchise. The franchise is thus an important ingredient of the property, because the income that is earned by the corporation comes out of its whole property, its physical tangible property, plus the opportunity to use the property. This economic conception of a franchise as a separate income-yielding ingredient of property includes all the different kinds of franchises which have been developed by legal distinctions in the United States.

The fourth question before us is: Why does the franchise question acquire such immense importance in New York and in many of our other cities? Why do we have a special franchise law? The answer is not difficult. Simply because our corporations are unfortunately still taxed for local purposes according to the antiquated system of the general property tax. Let us assume, for instance, that the property of a corporation is represented by its stock. In the case of personal property in this state we allow a deduction for debts. The bonds of a corporation are its debts. Therefore, all you have to do in order to escape taxation is to create a bonded indebtedness a little larger than your capital stock, and you have zero for your taxable valuation. For instance, suppose that the capital stock, plus all the bonds, amounts to one hundred million dollars; the capital stock is forty million dollars, and the bonded indebtedness sixty millions. Deduct sixty from forty and you have minus twenty million dollars, which is all that is taxable so far as personal property is concerned. Now,

that precise question arose in Brooklyn: The assessors attempted to tax not only the real estate of the corporation—for they did not have very much real estate—but endeavored also to tax the franchise. No, said the court, the franchise is personal property, and you have got to deduct the bonds; therefore, there is really nothing to be taxed. It was this decision which led the originator of the law, who is with us to-day, Mr. Ford, to adopt the very ingenious device of calling the franchise real estate, for in New York we do not allow deduction for debts on real estate, whereas we do on personalty. In other states the condition is just the reverse; debts are often deducted in the case of realty, but not in case of personalty. This shows in what a state of chaos our whole system of taxation in this country is involved.

Now, economically, a franchise may be called real estate or it may be called personalty. It is both, and it is neither. No matter what you call it, a franchise, as I have said, is simply that indefinable something which makes your real estate, and which equally makes your tangible personal property, worth something. Economically, it attaches to real estate as much as to tangible personalty. . . .

We find pretty much everywhere in this country today that economic conditions are outgrowing local control. We find a centralization, a growing centralization in certain kinds of administration. We find, for instance, that our hospitals are no longer managed by the cities, but are better managed by the state. We find that our schools are supported by taxes which are paid to the state, and subject to a certain kind of state supervision. It would be easy to call attention to the numerous other cases where modern conditions show that a centralization of administration is desirable. Why was it, for instance, that when we discussed this very franchise tax bill at Albany, a demand was made for this amendment? Simply because it was claimed that we should receive better administration through a state board than we could hope to get through local officials, just as in general federal taxes are more successfully administered than state taxes; just as, on the whole, state taxes are assessed with more success than local taxes.

Furthermore, entirely apart from this question, it is probable that with the growth of interlocal relations it will become increasingly difficult for local assessors fairly to estimate the value of corporate property or franchises. We have now in this city an inter-borough electric traction company; before long it will become an interurban company. Within a very few years many of our local traction companies will branch out and become interurban, until our street railways will go through the same development which our ordinary railways experienced years ago. It will be almost impossible to assess the local proportion of such an inter-local franchise, just as today the different localities in many of our states find it impossible to say how much of the franchise of the great railway corporations really belongs to them. Sooner or later, court decisions or not, the necessities of the case will lead to a centralized administration of inter-local functions. Franchises of the kind we are dealing with are fast outgrowing the local swaddling clothes.

Finally, we come to the last problem. Granting all this, the question still remains: how are you going to measure the franchise? Now, if you have followed what I have said, it is plain that here are only two possible economic methods to ascertain the value of the franchise of a corporation. You must take either the income measurement or the property measurement. If you take the property measurement, you must make some sort of distinction between the tangible, physical property and the non-tangible, immaterial property. When both are lumped together as on the stock exchange, how are we to measure the property value of a corporation? Plainly through its securities. We add the market value of the stock to the market value of the bonds. This, it is true, is not an absolutely correct measurement economically. A bond may be above par, not because it is an especially good bond, but because it bears a high rate of interest, or because it has a relatively long time to run. The market value of the bonds thus does not always give an accurate idea of the real value of the property on which it is based. Again, if you take the stock, there, also, the market valuation is not absolutely cor-



rect, because of speculative management. We know that the market value of stocks is often temporarily affected by manipulation, and that it sometimes changes very rapidly. The way out of the difficulty, however, is to take the average market value during a term of say three, four, or five years. This will give us the nearest approach to an accurate valuation of total property. Now, if in this way you have reached the market value of the property, all that is necessary is to subtract from the total market value of the securities the value of tangible, physical property, and the remainder will be the value of the franchise. This is a simple proposition. It is just as close as we can get to the value of a franchise, regarded as property.

Suppose, however, that you can not get at the value of the securities at all, because they are not bought and sold on the exchange—what then? Then you must do what they are trying to do in Michigan today with the railroads. There they try to reach an estimate of franchise value by the income measurement. They first attempt to get at the value of tangible physical property, which does not involve any special difficulty. Then, in order to get at the value of the franchise or non-physical property, they take the total gross earnings from operation plus the total income from other sources. From this total gross revenue they deduct operating expenses, plus five per cent. of the value of the tangible, physical property. The remainder might be called the clear earnings, which are due, not to the physical property, but to something else. This remainder they capitalize, not at five per cent., but at seven per cent., in order to give the corporation the benefit of the doubt. They thus arrive at the value of a franchise, or of the non-physical property. In Michigan, railways were taxed up to that time upon a gross earnings valuation ranging from two and one-half to five per cent. Under the new scheme it is claimed that the valuation according to capitalized income yields at least two or three times as much. All of which shows that whether you measure property in the one way or the other, whether you estimate the franchise according to capital value

or according to income value, it does not make very much difference so long as you put the tax high enough.

The important point, which cannot be too strongly emphasized is that a franchise is economically something over and above the physical, tangible property, which can be measured according to capital valuation or according to income valuation. If you measure it according to capital valuation, as is the case in this state, there does not seem to be any better method than to take the security value, the value of the entire securities, and to deduct from this total the value of the tangible, physical property. The remainder will obviously be the valuation of the intangible property that is roughly called the franchise.

All market values are the capitalization of present income and of estimated future income. If you buy a house, you base your purchase price not simply on the fact that this year it yields so much revenue, but on the further fact or hoped-for fact that if kept it is going to yield so much in the future. It really makes no difference whether you use the income or the property valuation, provided you put the rate high enough to accomplish the result. That, after all, is the real crux of the whole matter. Here we are dealing with corporations, which, in some way or other, have secured public privileges from the community, out of which they get large returns.

The public is clearly entitled in some way to share in the privileges which are conferred upon these corporations. The special franchise tax in New York is designed to make the corporations contribute not more than their share, but simply their fair share to the public revenues. Up to this point in the history of the United States, as a matter of fact, so far as our municipal quasi-public corporations are concerned, they have been bearing, in most cases, less than their share. They have been taxed, not upon their entire property, but upon only a part of their property. It was to escape from this situation that the scheme of the franchise tax was devised. However much the subject may be beclouded by legal fictions, there remains a solid basis of truth. The whole object of franchise taxation is to make the quasi-public corporations assume their just quota of the public burdens.

## THE MOSELY COMMISSION REPORT

The Mosely Industrial Commission was brought to this country by Mr. Mosely, a wealthy Englishman interested in the industrial life of his country, for the purpose of studying labor conditions in America and comparing them with similar conditions in Great Britain.

In many respects this was a most remarkable undertaking. It was inspired, perhaps, partly by hope and partly by fear. "The Americanization of Europe" is a cry of alarm that has resounded over Europe and the Continent for more than a decade, and the increasing frequency with which American machinery is met with in every country and in almost every foreign city of the world, the underselling by American manufacturers in European markets of native products, and the expanding influence of American ideas in every part of the globe, all seem to indicate that the modern industrial world is really being Americanized. This was the fear. The hope that partly led to the sending of such a commission to this country was that a study of our methods and possibly their adoption, or the improvement of English methods, might lead to such improvements as would enable England to compete with us in the great struggle for commercial and industrial supremacy.

What is the result? Mr. Mosely frankly tells us in one or two illuminating sentences:

"If we are to hold our own," he tells his countrymen, with wonderful candor, "if we are to hold our own in the commerce of the world, both masters and men must be up and doing. Old methods must be dropped, old machinery abandoned. Practical education of the masses must be instituted and carried out upon a logical basis, and with efficiency."

This striking comment really tells the whole story. It is an epitome of the industrial history of the United States. The American has already done the things that Mr. Mosely thinks the Englishman should do; and therefore the American leads in the industrial advance of the world.



The investigations and conclusions of this commission suggest the question, if England can ever recover the ground she has already lost in her competitive race with the United States. It does not seem to us to be any longer a question as to England's "holding her own." It is a question, rather, of regaining very much of what she has lost through indifference or incompetence. Is it probable that any nation will recover lost commerce or lost prestige? It seems to us that history has decided against this probability. What one nation loses, another gains; and it is practically impossible for a defeated rival to recover what it has lost in this most desperate of all rivalries, of trade and industrial life. The Italian cities—to go no farther back—lost once and for all their supremacy in commerce. Spain, which once covered all the oceans with her merchant fleets, lost everything and has regained nothing. Holland has never won back the position she was forced to surrender to England. It is hardly too much to say that England, in her turn, will never win back the ground she has been forced to surrender to the United States.

It must be remembered that England has two young and powerful rivals, Germany and the United States, either one of which would prove sufficient to wrest from her the leadership in trade. Germany, however, is restricted by her unfavorable position to a narrower field of enterprise than the United States, and will never be a close rival of this country. In other words, the United States will easily lead Germany and must inevitably take from England her present position at the head of the commerce and trade of the world. Such, at least, seems to be the inevitable course of events.

The Mosely Commission was admirably constituted for making a thorough and satisfactory investigation of American industrial conditions. It was composed of intelligent representatives of nearly every branch of industry in England. To each member was assigned a special field of inquiry; and upon his return to England he made a report in writing of the result of his observations, and, in addition, gave answers to some forty questions so arranged as to bring out in succinct form the facts he had discovered in his investigation. It is

not possible, in our limited space, to take up all the branches of this inquiry, but some of the questions investigated by the Englishmen are of tremendous interest to our workmen and capitalists, and the results of this inquiry are not only of interest but of great importance. Of course, the chief things investigated were wages and relative cost of living, hours of labor, the amount and cost of product, general sanitary conditions, and the opportunities for workmen in the two countries; and, with respect to capitalists, the advantages of the American over the English manufacturers, and the alleged superiority of American products.

As to wages and relative cost of living in England and America. As might have been expected, the answer to this question is that the American laborer has a great advantage. The commission found that wages are from 15 per cent. to 100 per cent. better in the United States than in England; and the cost of living, while somewhat higher in America, is not enough higher to counteract the great advantage that the American workmen have in higher wages. The answer given by the representative of the Carpenters and Joiners is practically the conclusion of the commission: "The American can save nearly double, though he works four hours less a week."

As to hours of labor. The answers to this question bring out a not very generally known fact that the American laborer, as a rule, works less by nearly two hours a day than the English laborer. In other words, the American has an eight hour day compared with the usual ten hour day in England. Of course, this is not always the case; but the commission gives it as its conclusion that, on an average, the American works from four to twelve hours a week less than the English laborer.

"Does the American workman do more or less in an hour, on an average, than the English workman?" These visiting Englishmen emphatically say that he does not. They are inclined to treat the tradition of American energy and "rush" as a myth, and say that "nothing can be wider from the actual truth." They could not find American workmen running at the high pressure for which the world generally credits them. This seems to be the conclusion of all the investigators; and

the truth of the opinion must be admitted, certainly in a large measure. There was a time, a few years ago, when American workmen felt the necessity of working at a tremendously high pressure. At that period, work was done at a heart-breaking and nerve-shattering speed. Of course, it was not and could not, in the nature of things, be the best work. But it sufficed, and served to give this country an impetus that carried it to the front in the race. There have been several influences at work in tempering this fiery energy. Trade unionism, for one thing, has had the effect of moderating the traditional American "rush," by giving to labor greater security and less anxiety to hold its place by a show of nervous energy. In other words, competition has diminished, and labor has become more leisurely, or, at least, less impetuous. Again, the English workmen have learned something from us, and have quickened their pace; so that the great space that separated the slow processes in England from the violently rapid processes in America, has been cut away on both sides. But this space is still a margin wide enough to mark the difference between a victorious and a discomfited rival.

As to sanitary conditions in the work-shops of America. The commission is almost unanimously of the opinion that they are very superior to those that prevail in England. The workmen in America, according to these reports, are far better cared for than the workmen in England. They have more comfort, work in shops better ventilated, and are surrounded by more conveniences and comforts than anything known in even the highest class shops of Great Britain.

The opportunities of workingmen in England and America.—The commission has no doubt that opportunities in America are incomparably better than in England. Of course, this conclusion follows inevitably from the investigation along other lines. As the American workman makes more, lives as cheaply, saves more, works in better conditions, consequently his opportunities for rising and winning a competence for old age are infinitely superior to those of his rival in England.

The American capitalist, according to this report, has a number of advantages over the capitalist in England. Briefly,



he has immense mineral resources at his door, unequaled waterways for procuring cheap transportation, unexcelled railway communication. The commission calls attention to the fact that the control or ownership by our manufacturers of the raw material, and of the means of transportation, gives them a tremendous advantage over the English. The representative of the leather trades sums up the matter as follows: "We can not compete with any certainty of success with the States for markets of the world, as with their great natural advantages they can undersell us."

The machinist makes a characteristic and suggestive comment upon American machinery. He says:

Here lies the distinctive feature of American industry, viz., the hankering after the latest machinery and best methods of working which pervade American industrialism. In some respects American workshops are better equipped than English. They are equipped with a greater variety of special tools made for special work of repetition character, and on the other hand there is less range in regard to the size of tools in the workshops, and, therefore, because of that I think greater production. . . . American engineers have been able to do things wholesale; in fact, they have been pressed to do so, and this has led to the adoption of plans for the manipulation of parts in a wholesale way by operating upon a number at a time, and by all sorts of little contrivances for securing uniformity and despatch. The American manager is more enterprising and more ready to introduce the latest and best of everything. . . . The spirit of enterprise is more general in America, and, as I have previously stated, there is an all-round readiness to accept new ideas, and a general hankering for machinery and appliances.

The superiority of American products is seriously challenged. The machinist says, "British goods have nothing to fear," and that our factories do not turn out better work than the English factories. Our locomotive engines are said to be very much inferior in endurance and beauty of finish to the English, and so on with other American products. The furniture worker even makes a comparison that is odorous. He says that he saw in the "furniture department of stores" nothing half so perfect in design or workmanship as may be found "in a second-hand shop in Tottenham Court Road in London."

Of course, the value of this criticism depends upon the kind of stores he visited in this country, and the kind of products he examined.

The gist of the commission's report is admirably presented by Mr. Mosely himself, in a summary that is so valuable that we take pleasure in publishing its most interesting parts:

My personal conclusion is that the true-born American is a better educated, better housed, better fed, better clothed, and more energetic man than his British brother, and infinitely more sober; as a natural consequence, he is more capable of using his brains as well as his hands. Many of the men, however, holding leading positions are either English or Scotch, and the American himself is justly proud of his British descent.

One of the principal reasons why the American workman is better than the Britisher is that he has received a sounder and better education, whereby he has been more thoroughly fitted for the struggles of after life, and I believe all my delegates were themselves immensely impressed with the general high standard of education in the United States—a standard it would be well for our own nation to copy as far as practicable. Labor-saving machinery is widely used everywhere and is encouraged by the unions and welcomed by the men, because experience has shown them that in reality machinery is their best friend.

Of course, the true solution of the whole problem is profit-sharing in some shape or form, and it is towards this goal that I feel both masters and men alike should turn their eyes.

The United States is advancing by leaps and bounds. She is beginning to feel the beneficial effects of the education of her masses, and an enormous territory teeming with natural resources as yet but meagrely developed. At the present time the home market of the United States is so fully occupied with its own developments that the export trade has as yet been comparatively little thought of; but as time goes on and the numerous factories that are being erected all over the country come into full bearing, America is bound to become the keenest of competitors in markets of the world. That already she has her eye on the export trade is plain to every one except the wilfully blind; but at present she is only getting ready. When America wishes to export goods she intends to dictate freights, which she could not do if she had no mercantile marine of her own.

That the American workman earns higher wages is beyond question. As a consequence, the average married man owns the house he lives in, which not only gives him a stake in the country, but saves payment of rent, enabling him either to increase his savings or to purchase further comforts.

The American workman drinks but little, and his house is usually well furnished and fitted with luxuries in the way of bathrooms, laundries, hot water and heating systems, and other items mostly unknown to the British workman.

One of the points the delegates were invited to investigate was whether or not the workman in the United States wears out faster than the Englishman. Personally, I think so.

It is generally admitted that the American workman, in consequence of labor-saving machines and the excellence of the factory organization does not need to put forth any greater effort in his work than is the case here, if as much. He is infinitely better paid, therefore better housed, fed, clothed, and moreover is much more sober. Under such conditions he must naturally be more healthy, a proposition that I think cannot be denied. In American factories, speaking generally, great attention is paid to the necessities and comfort of the workers.

In fact the American manufacturer has realized that if he wishes the best results from the hands he employs he must provide for their comfort and cleanliness. It is not a question of philanthropy, but of practical business.

The commission before leaving took occasion to commend very strongly the work and purpose of the Civic Federation of this city and united in a statement to the effect that it would be to the benefit of both workers and employers if some similar organization could be founded in England.

A word of caution seems necessary in considering the views of this score of Englishmen who came here with the definite purpose of investigating our industrial methods and comparing them with those of England. In the first place, they did not have time enough to make a very thorough investigation, as they were limited to the period between November 12th, and December 19th, which is hardly an adequate time for so serious and complex an investigation. In the second place, it would be difficult for any man, even the most liberal and reasonable, to free himself so completely from prejudices and presuppositions, as to be able to make a judicial and entirely impartial inquiry. In spite of these obstacles to a calm, well reasoned and adequate report upon industrial conditions, the commission seems to have succeeded in furnishing a document of the most remarkable information and tremendous importance. It can not fail to result in benefit to laborers and manufacturers in both England and the United States.



## EDITORIAL CRUCIBLE

IT IS SAID THAT President Roosevelt has made 191 public speeches since he became president. More than a hundred of these have been delivered since he started on his Western tour. It is hardly to be expected that a man can keep up this rate of speech-making and continue to talk sense.

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IT IS ENCOURAGING to know that the *Boston Herald* thinks the amount of travel from this country to Europe is a sign of our general prosperity. European travel from this country already booked is greater than ever before. The bookings exceed 21,500 cabin passengers each for May, June, July, and August, making more than 86,000 for the four months. It is estimated that the total will be 125,000. For their passage tickets alone these will pay about \$31,000,000, and their other expenses will easily reach \$70,000,000 or more; so that Americans going to Europe will spend at least \$100,000,000 by the first of September. This is one way of letting Europe share in the profits of our prosperity.

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WHEN IT IS remembered that England buys 63 per cent. of her wheat, and 60 per cent. of her meat, from the United States, and only 8 per cent. of her meat and 6 per cent. of her wheat from Canada; 5 per cent. of her wheat and 14 per cent. of her meat from Australia, and only 5 per cent. of her wheat from India, it is not surprising that Mr. Chamberlain should try to devise some policy to give Canada, Australia, and India a chance in the English market. Canada gives England a preferential duty in the Canadian market, and so does Australia. Mr. Chamberlain's proposition for applying this principle to the British colonies is not a very radical innovation, but is a moderate change in the direction of giving England's colonies the preference over other countries in the English market. And yet, the Liberals, and for that matter many of the Tories, are crying out against the proposition because it is not consistent with free trade.

THE PENNYPACKER "gag law," as the new libel law in Pennsylvania is called, is creating considerable stir in the press. It must be admitted that the Pennsylvania legislature went farther than any idea of freedom of the press will permit, and some of its conditions that would prevent criticism of public officials are truly absurd; yet it is high time that some limit is placed upon the press in this country, especially that unscrupulous portion of it which lives upon blackmail. There are certain papers published in New York city whose chief occupation is to find out the private doings of well-to-do persons and discuss them in a doubtful manner for the sole purpose of levying blackmail. It is said that this is carried on to such an extent that many rich persons are levied on for yearly contributions, to secure protection.

Some method of reaching blackmailers in the press is greatly needed. If the Pennypacker gag law will do it, it will render a good service to the public; and if it will not do it, some other law should be devised that will.

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MANY DEVICES are employed to make it appear that Mr. Cleveland is the only man that could give popularity to the Democratic party in 1904. The party is surely in need of a wholesome tonic; it has been fed on fads and doctored by nostrums until it is well-nigh a wreck. Before it can hope to command the confidence of the nation, it must make a serious effort to re-establish its economic and political sanity. For this purpose Cleveland would be little better than Bryan. He has shown himself to be a radical disintegrator. He is the only Democrat that has been elected President in forty years, and he thoroughly disrupted both the industries of the nation and the organization of the party. If the Democrats hope to have a reasonable chance of victory, they must select a candidate and adopt a platform that will stand for conserving the conditions upon which the industrial prosperity of the country depend.

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GENERAL GOMEZ has just added his testimony to the fact that Cuba is making excellent progress. Every day's experi-

ence more and more shows the fraudulent character of much that was circulated in regard to Cuba by the administration and those who wanted to break down the protection to the sugar industry in this country. We are told from the official sources both in Cuba and this country—Governor Wood, Secretary Root, the President and the administration organs, library bureaus paid for out of public funds—all told us that if we did not reduce the duty on Cuban products, Cuba would be ruined and her people would soon be reduced to a state of starvation. The tariff was not reduced, and yet none of the predicted calamities occurred. On the contrary, Cuban planters are prosperous and the people are better off than in many years. And yet, a special session of congress is called to ratify the Cuban treaty on the same plea that Cuba must be saved from ruin, by injuring American industries.

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AUTOMOBILISTS are very much incensed over the passage of the Bailey automobile bill in this State. This bill prohibits automobilists from going faster than eight miles an hour in the city streets, and particularly when passing horses. In fact, it subjects the owners of automobiles to regulations compatible with the existence of others. The Bailey law is perhaps a little strict in some respects, but for this the reckless owners of automobiles alone are responsible. They go rushing through the streets, regardless of pedestrians, horses, or children. They will often toot their horns and make other hideous noises when near a horse, as if done on purpose to frighten him, which it frequently does and causes a runaway with accompanying calamities. In Central Park many of them are more like roving thrashing machines than pleasure vehicles, and are the terror and often the calamity of both pedestrians and drivers. If the Bailey law tends to check this reckless automobile driving, it will be an excellent thing.

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THOSE WHO THINK that labor unions are inspired only by reckless antagonism to capital and society, should read the May number of *The Garment Worker*, the official journal of the Garment Workers' organization in New York City. This



journal contains a very rational discussion of the labor conditions from the laborers' point of view. The tone and spirit of the Garment Workers might well be emulated by the Manufacturers' Association and all employers' organizations. Their paper does not try to flatter the laborers with the fact that they are perfect and that employers are the only sinners; on the contrary, it frankly admits that the antagonism of the Manufacturers' Association, and the employers' movement against labor unions, were born of the unreasonable conduct of the unions themselves. It contains a reply to Mr. Parry, and no friend of Mr. Parry's can read it without blushing for his report to the New Orleans convention. If Mr. Parry would follow the example of Mr. White (the leader of the Garment Workers), and try to organize and federate the employers for the purpose of dealing with, but rejecting the abuses of, labor unions, he would be rendering an important service to the cause of industrial peace on the basis of intelligent action. But in devoting his energies and those of the manufacturers' organ to simply abusing the labor unions and attacking Senator Hanna and every other person who is trying to bring about a better state of things Mr. Parry is but adding fuel to the fire.

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ACCORDING to the statement of Lord Cranborne in the House of Commons, about a hundred Jews were murdered in the Kishineff massacre. This is so unspeakably shameful that it ought to bring Russia to her knees apologizing to Christendom; but instead of this, the tone of official Russia regarding this horrible affair is quasi-defensive. Count Cassini, Russian Ambassador at Washington, in a recent interview, proceeds to explain the causes that led to it, but expresses no word of censure for the murderers. He explains that the Jews will not work in the field, or engage in agriculture, but ply the trade of money-lenders. They take advantage of the Russian peasant, getting him into their power, and then destroying him. The result is that the peasants now and then turn furiously upon the Jews. He insists that it is not a race or a religious prejudice, but an antagonism that is due to the conduct of the

Jews. There is doubtless truth in this, and it might be worth while for the Jews to recognize this fact if they hope to live peacefully and enjoy the respect of their neighbors. But even this does not excuse the Russians from entering into a quasi defense of such a brutal massacre. On the other hand, it should not be forgotten that while the feeling against Jews is perhaps worse in Russia, it is similar, differing only in degree, in almost every other country. This ought to prove to the leaders of the Hebrew race that it is their conduct and not their religion that makes them disliked by all people, of all religions and races.

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A FEW MONTHS, Mr. Mosely, an English manufacturer, selected a commission representing different branches of industry, and paid its entire expenses to come to this country to investigate American industrial conditions and compare them with those of England. This commission has just made its report, a brief synopsis of which is published in this issue. Many members of the commission were representatives of the English labor unions, and had the usual prejudice against labor-displacing machinery. But the whole report is highly complimentary to American conditions. In his summary, Mr. Mosely says:

My personal conclusion is that the true-born American is a better educated, better housed, better fed, better clothed, and more energetic man than his British brother, and infinitely more sober; as a natural consequence, he is more capable of using his brains as well as his hands. Many of the men, however, holding leading positions are either English or Scotch, and the American himself is justly proud of his British descent. One of the principle reasons why the American workman is better than the Britisher is that he has received a sounder and better education, whereby he has been more thoroughly fitted for the struggles of after life; and I believe all my delegates were themselves immensely impressed with the generally high standard of education in the United States—a standard it would be well for our own nation to copy as far as practicable. Labor-saving machinery is widely used everywhere, and is encouraged by the unions and welcomed by the men, because experience has shown them that in reality machinery is their best friend. . . . The United States is advancing by leaps and bounds. She is beginning to feel the beneficial effects of the education of her masses, and an enormous territory teeming with natural resources as yet but meagrely developed. At the present time

the home market of the United States is so fully occupied with its own developments that the export trade has as yet been comparatively little thought of; but as time goes on and the numerous factories that are being erected all over the country come into full bearing, America is bound to become the keenest of competitors in the markets of the world.

This is an excellent statement of the case. It is a statement that American employers may well bear in mind. An educated, intelligent nation of large consumers furnishes the basis for its own prosperity. What Mr. Mosely here sees in the result of our good wages and improved conditions. If England had encouraged the same conditions among her agricultural laborers by protecting their interests, instead of sacrificing them for foreign trade, Mr. Mosely would have found less disparity between the conditions of the American and British laborers to-day.

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WE ARE BEING frequently told that American manufacturers can undersell all competitors in foreign markets, and therefore no longer need protection in the home market. If this were approximately true, our exports would naturally be increasing and our imports diminishing, or, if not diminishing, increasing in a much smaller ratio than our exports.

Unfortunately for this theory, the facts are all against it. The preliminary report of the treasury department, corrected to May 13, 1903, shows that our total imports for twelve months ending April, 1900, were \$808,779,697. In 1901, they were \$901,564,167, and in 1902 they reached \$1,013,525,030, an increase in 1902 over 1900 of \$204,745,333. The exports for the corresponding periods were, in 1900, \$1,482,502,623; in 1901, \$1,417,499,561; in 1902, \$1,415,302,677, being a decline, as compared with 1900, of \$67,199,946. The effect of this is clearly indicated in the excess of exports over imports, which in 1900 was \$673,722,926. In 1901 it was only \$515,935,394, and in 1902 it had fallen to \$401,777,647, a decline in favor of 1902, as compared with 1900, of \$271,945,279. In other words, as compared with 1901, our imports have increased by \$204,-



745,333, and our exports have diminished by \$67,199,946; and the excess of what we sold over what we bought has diminished by \$271,945,279.

The imports and exports for ten months ending in April, for 1901, 1902, and 1903, show that the same tendency is continuing. During the ten months ending April, 1901, the total imports were \$676,124,805. In 1902 they rose to \$754,516,807, and in 1903 to \$864,720,889, being an increase over 1901 of \$188,596,084, and over 1902 of \$110,204,082. For the same period our total exports in 1901 were \$584,298,012. In 1902 they were only \$435,640,580, and in 1903 they had fallen to \$359,019,774. Thus, as compared with 1901, our exports for ten months have fallen \$225,278,238, while our imports have increased \$188,596,084.

These figures show that our prosperity is due to the increase of our domestic business, and not to any expansion of our foreign trade. If our prosperity depended on the growth of our foreign trade, we should now be in a state of industrial depression, instead of being the only country in the world that is enjoying general prosperity. If our imports increase and our exports diminish now, what might we expect if protection were removed? The above facts show that free trade would be fatal to our industries.

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THE MASSACRE of the Jews in Kishineff by the Russians raises another race question for the United States. Of course, freemen everywhere deeply sympathize with the maltreated Jews, but how to mitigate their condition, not to say gain their emancipation, is a very serious problem. Mr. Israel Zangwill told a meeting in London that the true solution is to be found in the Zionite movement to establish the Jews as an independent nation in Palestine. Professor Gottheil advocates the same policy. The great obstacle to this scheme is that "Zion" would be poor, and the great percentage of successful Jews in New York, London, and elsewhere, would not leave the fields of fortune in Christian countries to establish a Jewish nation in Palestine.

The practical and easy outlet, that is most likely to be adopted, is to assist the Jews in Russia to come to America. It is estimated that there are about ten million Jews, about five million of whom are in Russia, and about two-thirds of the remaining five million are in this country. This raises the pertinent question for the United States, Shall we take hundreds of thousands, or several millions, of these helpless and benighted Jews from Russia? We have already enough of them to create an economic, if not a pestilential, problem in our large cities.

If the Russian Jews could be dumped into this country, we should soon have a race problem in the East between the Jews and other nationalities that might be more disturbing than the race problem in the South. It is said that Russia would be glad to be rid of the Jews, and is willing to pay twelve dollars a head to aid their exit. The United States does not want people whom any country will give twelve dollars a head to get rid of. It is not that we can not afford to be charitable. We can not afford to have our economic and social life disturbed by the importation of the poorest and most helpless people on the earth. We could much better afford to feed them in Russia than have them work for a living here. The importation of Jewish colonies from Russia should not be permitted.

## QUESTION BOX

### Is the Duty on Iron Ore Unnecessary?

Editor GUNTON'S MAGAZINE,

Dear Sir:—On what grounds is the continuation of the present tariff of 40 cents on a ton of iron ore based? Would not a removal of this unnecessary tariff improve the manufacture of pig iron, and also the finished products?

Harvard University.

J. L.

This is manifestly an affirmation put in the form of a question. J. L. is evidently quite clear in his own mind that the removal of this "unnecessary tariff" would improve the manufacture of finished iron products.

The theory upon which the present tariff of 40 cents a ton on iron ore is based is that it will insure the possibility of mining American ore. Forty cents a ton might make enough difference to enable manufacturers to buy foreign ores, and so largely displace the use of American ore. That would have made iron ore very much dearer, because the use of American ores almost exclusively tends to develop both the improved machinery for mining and the facilities for handling and transporting ores. Until recently this 40 cents was very necessary, and doubtless is necessary now in a large number of cases.

J. L.'s second question, "Would not the removal of this unnecessary tariff improve the manufacture of pig iron, and also the finished products?" is the important one. No; it would practically make no difference. Suppose the removal of this duty of 40 cents a ton reduced the price of iron ore the full 40 cents, which it would not. It is very doubtful, indeed, if it would reduce the price 20 cents a ton, or, after a very little while, even 10 cents a ton. If it succeeded in practically closing the American mines, it would not reduce the price of iron at all. But suppose the abolition of duty reduced it 20 cents a ton. Three tons of Lake Superior ore will make two tons of pig iron. Ore is \$4.92 a ton; No. 1 Pig is 22.50 a ton; so the duty on three tons of ore would be 60 cents, and the price of



two tons of iron would be \$45; therefore the removal of the duty would not affect the price of pig iron more than 30 cents a ton, or slightly over 1 per cent.. It varies more than that from day to day, and hour to hour. In the finished products, like steel rails, etc., it would be much less than that, in fact imperceptible.

For years, while the price of pig iron has fluctuated, ore has remained stationary. For instance, on October 1, 1901, No. 1 foundry pig iron was \$15.40 a ton, with iron ore at \$4.92. On May 1, 1903, pig iron was \$22.50 a ton, and the ore remained at \$4.92. In the great development of the iron industries during the past few years, this 40 cents a ton on iron ore has become less important, but it exercises no oppressive influence whatever upon the price of the finished product.

Would J. L. have a revision of the tariff with all its business disturbing effect, for the sake of removing that 40 cents a ton on iron ore which is absolutely harmless? Unfortunately those who advocate tariff revision do so, for the most part, as enemies of the protective system altogether, and will raise almost any pretext to justify a revision. The purpose of the revision is not merely to take out the items that have become unnecessary, but really to eliminate the protective element in the whole tariff law.

If we had some way by which individual schedules could be modified without opening a question of public agitation involving a disturbance of business, that might be done; yet, in most cases of the kind, the revision is largely unnecessary, because the duty, while not necessary for protection, imposes no burden or even inconvenience. On the matter of iron ore, for instance, we import practically none. There are a few ores of special grade imported from Norway and Sweden, and these are used for mixing in certain specific steel products; but as a matter of fact, the iron ore used in this country is produced here, and the price is determined by the competition between iron producers. The removal of the 40 cents duty would make little difference, if any, to the ore producers, and none at all in the finished products, or to the public. There certainly is no good reason why the tariff should be subjected

to a senseless and often unprincipled scramble in congress to eliminate a harmless item like the tariff on iron ore.

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### **Effects of Free Trade on England.**

Editor GUNTON'S MAGAZINE,

Dear Sir:—Has the application of the doctrine of free trade tended to narrow the intelligence and civilization of England? Has the condition of the working classes in England been made worse by free trade? Or is it merely an anomaly that the country that Americans liberally regard as the highest representative of culture and liberty is also a country of free trade? J. C. L.

In order to answer this question it is necessary to consider the peculiar condition of England. It should be remembered that England was the birthplace of the factory system, and it was thoroughly protected, even to the extent of prohibiting the exportation of factory machinery. After the factory system had been so highly developed that her home market could not take the products, enlarged markets were necessary. Thus, England had the industry and machinery, but needed the market; this country had the market, but needed the industry. Free trade to England meant a larger market for her manufactures; protection meant a larger market for the United States. So, the real object of free trade in England and of protection in America was identical. Both were adopted to gain a larger market for manufactured industry, and therefore, in both cases, contributed to progress. But in England there was one industry whose market was lessened, and paralysis resulted. Free trade did for English agriculture substantially what it would do for American manufacture; it gave the market to foreigners, with the result that English agricultural land has fallen in value and gone out of use, and the agricultural laborers have not made one shilling's progress in wages since the free trade policy was adopted. They were getting eleven shillings a week in 1840, and laborers on the same farms are getting only ten shillings a week today. The English laborers affected by the enlarged market have progressed, and those affected by the diminished market are just where they were in the middle of the century.

## Would Prohibitive Tariffs Elsewhere Hurt Us?

Editor GUNTON'S MAGAZINE,

Dear Sir:—What would be the result upon the prospects of this country, and upon its culture and civilization, if all other countries, England included, should enact as prohibitive tariff laws as our own? Would protection still be the true road to national greatness, civilization, culture, and power?

J. C. L.

No; there is a correct principle upon which protective policy should be based. It is, as I have tried to explain, a protection of the higher against the lower. Russia has no interest in protecting her laborers against the influence of English and American labor, because if Russia is compelled to adopt the methods of England and America there will be an improvement on everything she has. It is a universal law in nature and society that whatever succeeds tends to establish the method by which its success was accomplished. If a lower civilization can succeed against a higher, by virtue of its use of cheap labor, it will tend to establish cheap labor as a method of success. So in war; if the defeated army learns that the success of the enemy was due to superior guns, it will proceed to get the better guns. If America succeeds in Russia, it will not be because of the cheap labor, but it must be by virtue of superior methods; consequently it will tend to establish the use of superior methods, which, if adopted in Russia, will be a net gain to that country. In other words, there is no economic social, or ethical reason for protecting barbarism against civilization, cheap labor against dear labor, hand labor against machinery, crudeness against culture. It is the higher, and not the lower, that always needs protection. Universal protection would not be protection.

## Can Government Control Monopolies Without Owning Them?

Editor GUNTON'S MAGAZINE,

Dear Sir:—I should like your opinion on the following question: Do you think it would be practicable for the government to control monopolies without owning them?

Parkville, Mo.

T. O. P.



The government can control monopolies without owning them, just as it can control the conduct of individuals without enslaving them. It ought not to control any business enterprise beyond preventing it from unfairly interfering with the rights of others. The only restriction it can properly place upon any individual or organization is that it shall not acquire wealth or power, or exercise authority, by any unfair means. That is to say, corporations, for instance, shall not exercise any power other than that which they acquire through the economic strength of their business. Of course, they will exercise a moral as well as economic power, as an individual does.

A man who is a great success as a business man, lawyer, orator, preacher, or as an authority on any specific subject, will exercise authority in proportion to his reputation, established by success. That is a proper authority, but it is not acquired by any improper means. Corporations can do the same thing; they can exercise great influence in business circles by virtue of their success. For instance, Mr. John D. Rockefeller, George Gould, or other reputable millionaires who have made colossal fortunes by developing legitimate enterprise, exercise great influence over others in the line of industrial investments. If such men go into an enterprise, people with less experience will invest their money on the very strength of the reputation these men have acquired by continuous industrial success.

The government should not control enterprises in any other way than it controls the conduct of individual citizens, and this it can do without owning the industries. It can, in fact, do it much more effectively than by owning them. The government is the least competent factor in a community successfully to manage an industry. For reasons that can not be explained here,\* there are but very few enterprises that the government can administer with success.

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\*See LECTURE BULLETIN on "Public Ownership."

## BOOK REVIEWS

THE AMERICAN REPUBLIC AND ITS GOVERNMENT. An Analysis of the Government of the United States with a Consideration of Its Fundamental Principles and of Its Relations to the States and Territories. By James Albert Woodburn, Professor of American History and Politics, Indiana University. G. Putnam's Sons, New York and London, 1903.

It would seem, from a cursory survey of the field, that quite an adequate number of books on the United States Government had already been prepared for students and the general reader. This view is continually shaken, however, by the ceaseless publication of books, dealing with some phase of our political life. There are several admirable hand-books on this government, but the author thinks that the special corner of the field he seeks to occupy has not been preempted. Mr. Bryce's great work, *The American Commonwealth*, does not, indeed, leave much room for anything (at least for years to come) except briefer works of a hand-book nature utilizing the material collected by this consummate thinker and investigator.

The primary aim of Prof. Woodburn's book is to supply material for advanced classes in colleges and universities. For this purpose it is admirably fitted, and will be found satisfactory perhaps in all respects, except as to volume. It seems somewhat too comprehensive for its professed purpose, and not quite comprehensive enough for a thorough study of the complex government of this country. It treats the subject in sections and take up in order the politics and principles of the founders of the nation, the Presidency, the Senate, the House of Representatives, the Judiciary, the States and their government, and the Territories and their government. A thorough index, and extensive bibliographical notes following the main divisions of the subject, make the book exceedingly valuable for reference and as an aid in further study. Some criticism could be made as to the rank of the authorities cited, as many of them are of the most ephemeral nature. Light magazine

articles, dashed off by political correspondents in Washington, do not seem to be very satisfactory guides in matters of this deep import.

To the student and to the general reader the chief value of this work will be found in its clearness of statement, and in the nice and scholarly manner in which the different powers of the government are separated and distinguished. It also contains much new and valuable material in reference to the era of expansion. The territories, both those within the boundaries of the United States proper and the island possessions—Hawaii, Porto Rico and the Philippines—are quite adequately dealt with as to their government by Congress, and the decisions of the Supreme Court relating to the "Constitution following the flag," and to tariff duties.

One of the most interesting ideas brought out by Professor Woodburn is that we have developed, though in a less degree than England, an unwritten constitution, which is almost as binding upon the nation as the written instrument. He gives this unwritten constitution, so far as it has been developed, as follows:

Presidential electors have no right to exercise their discretion in voting for presidential candidates; they must vote for their party nominee.

A President may not be elected for a third term.

A President may remove his appointees without asking the consent of the Senate.

The House and Senate both conduct their business by the committee system, the committees in the Senate being elective, while in the House they are appointed by the speaker. This has no other basis than the usage and standing order of each House.

The Senate will not refuse to confirm Cabinet appointments.

A member of Congress must reside in the district from which he is chosen.

The party caucus determines the course of party action, and a resulting obligation rests on the individual members who participate in the caucus to obey the decision of the caucus meeting.

This book is intended as a companion volume to the author's "Political Parties and Party Problems in the United



States." The two together make a most valuable contribution to the literature of American history and politics.

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EVERYMAN; A MORAL PLAY. Fox, Duffield & Company, N. Y., 1903.

To find either interest or value in this old morality, which Mr. Charles Frohman, with commendable spirit, has produced in this city, one must forget the centuries of literary art that lie between this simple old play and the great dramas that have been written since it appeared, and that were written more than two thousand years before it. The early English writers chose, some of them deliberately, most of them ignorantly, to find sufficient warrant and inspiration for their art in the national genius. Beowulf and Caedmon, and the writers of the early miracle and moral plays, were really creating anew what had already been created in a far higher form in India, Greece, and Rome. We must therefore estimate the value and significance of "Everyman" with regard to its environment.

Of course, as literature, a play, no matter where or when written, must finally be judged by the highest standards. A New Zealander would not be permitted to plead that he was at the beginning of art in a new world. His work would be judged by the standard of Sophocles, Molière, and Shakspeare—certainly by that of Scribe, Sardou, and Pinero. But we must overlook such standards in judging this simple play which is one of the foundation stones of the great drama that has since been created by the English-speaking race.

Viewed in this light, the importance of "Everyman" is tremendous—it becomes a true masterpiece. It has been often said that it marked the transition from the crude plays of our earliest literature to the complex drama of today. But it does something more than this. It is interesting and important in itself. It is perhaps nearly as interesting to the modern reader or theatre-goer today as it was when it was written. The content of the play is small, its devices are crude, and the plot is exceedingly slender. The too evident moral, that the priesthood should be liberally supported and absolutely obeyed, chills the interest of a modern reader or auditor. Notwith-

standing this, the play has sufficient human nature in it to maintain a firm grasp upon the interest.

The story of the play is as simple as a child's charade. "Everyman", who represents exactly what the name implies, is summoned suddenly by Death to give an accounting. He is terrified, and asks delay, which is denied. He then appeals to his friends to accompany him on his terrible pilgrimage. All of them,—Fellowship, Goods, and Kindred,—refuse, and his Good Deeds is too weak to undertake the long journey. Strength, Discretion, Beauty, and Five Wits, consent to accompany him; but they also fail him at the edge of the grave. Knowledge alone renders him service, and after sending him to the confession, goes with him to the grave and comforts his last moments. By this time his Good Deeds is so strengthened as to be able to go with him into the next world. After this "Everyman", with his reckoning complete, dies with a macaronic verse of dog Latin on his lips:

"In manus tuas, of might most,  
For ever commendo spiritum meum."

Nothing but praise can be said with regard to the make-up and typography of this little book. We have here a correct test in modern English spelling—although some of the words still retain their ancient flavor—and the play is clearly and beautifully printed. The publishers have done a great service to dramatic literature in reproducing this splendid old drama, which stands at the fountain head of English dramatic literature. They have also, by selecting it as their first publication, made memorable the beginning of their own enterprise in book-making.

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A SURVEY OF ENGLISH ETHICS, being the first Chapter of Mr. Lecky's "History of European Morals". Edited with introduction and notes by W. A. Hirst. Longmans, Green, & Co., London and New York, 1903.

This is in every sense an admirable little work, and is the best possible introduction to the study of ethics or of general

philosophy, as well as being an invaluable companion in the study of any branch of liberal culture. It was a happy idea of the editor to offer in this cheap and convenient form Mr. Lecky's magnificent first chapter. This chapter is appropriately entitled, "The Natural History of Morals," and it forms practically a monograph on the subject, and is itself an example of lucid statement and forceful reasoning. It will be found entirely adequate for its purpose, and it is certain that it will become a guide in the study of the development of philosophical systems in England and, of course, in this country.

Ethics is generally regarded as a somewhat dismal science. Mr. Lecky himself seems a little to doubt that any practical benefit is to be derived from its study. The liberalizing influence of a study of ethics is unquestionable, but its effects are, doubtless, gradual and remote. Mr. Lecky says on this subject, "Our moral sentiments do not flow from, but long precede our ethical systems; and it is usually only after our characters have been fully formed that we begin to reason about them. It is both possible and very common for the reasoning to be defective, without any corresponding imperfection in the disposition of the man."

The truth is that the conscience of every generation has to be formed in the hearts and at the knees of its mothers. It is probable that for many years the teachings of any moral system would have very little apparent effect upon the character of a nation or community; and it is to be doubted if all the systems of moral philosophy have done very much for the actual happiness of mankind. "It is probable", says Mr. Lecky, "that the American inventor of the first anæsthetic has done more for the real happiness of mankind than all the moral philosophers from Socrates to Mill."

Perhaps the chief value of Mr. Lecky's wonderful chapter is the clear distinction he draws between the two great schools of English ethics—the utilitarian and the intuitive. The former, is, he says, little known outside of England. In France it has the great name of Helvétius. Among its disciples in England, however, are such master minds as Hobbes, Mill, Bentham, Hutcheson, and Hume,—although the system of



the latter was really a combination of the two ethical teachings. It may be mentioned here that in later times these two schools have frequently touched and blended their principles, so that at the present day there is no such broad line of demarcation between them as existed in the days of Hobbes and Butler, and, farther back, in the days of Plato and Aristotle, or of the Stoics and Epicureans. It is worth while to give here Mr. Lecky's brief and remarkably clear description of the two schools:

One of them is generally described as the stoical, the intuitive, the independent, or the sentimental; the other as the epicurean, the inductive, the utilitarian, or the selfish. The moralists of the former school, to state their opinions in the broadest form, believe that we have a natural power of perceiving that some qualities, such as benevolence, chastity, or veracity, are better than others, and that we ought to cultivate them and to repress their opposites. . . . The moralist of the opposite school denies that we have any such natural perception. He maintains that we have by nature absolutely no knowledge of merit and demerit, of the comparative excellence of our feelings and actions, and that we derive these notions solely from an observation of the course of life which is conducive to human happiness. That which makes actions good is, that they increase the happiness or diminish the pains of mankind. That which constitutes their demerit is their opposite tendency. To procure "the greatest happiness for the greatest number," is therefore the highest aim of the moralist, the supreme type and expression of virtue.

The author is noted for his candor. He encourages no deception as to his own point of view. He is unquestionably of the intuitive school, and defends his teachings ardently and successfully, although he recognizes its weaknesses and the weaknesses of all moral systems. "No proposition," he says, "can be more palpably and egregiously false than the assertion that, as far as this world is concerned, it is invariably conducive to the happiness of a man to pursue the most virtuous career."

The editor has added notes and a biographical index of philosophers, which greatly increase the value of the little book. Altogether, the volume is one that ought to be placed in the hands of every student, not only of philosophy, but of English thought.

## NEW BOOKS OF INTEREST

*Insurance and Crime.* By Alexander Colin Campbell. G. P. Putnam's Sons, New York.

*The New Empire.* By Brooks Adams. Cloth. The Macmillan Company, New York and London.

*The Battle with the Slums.* By Jacob A. Riis. Cloth. The Macmillan Company, New York and London.

*The Administration of Dependencies.* By Alpheus H. Snow. Price, \$3.50. G. P. Putnam's Sons, New York.

*Essays: Historical and Literary.* By John Fiske. 2 vols.; cloth. The Macmillan Company, New York and London.

*Custom and Competition.* By Richard T. Ely, LL.D. Cloth. The Macmillan Company, New York and London.

*American Municipal Progress.* By Charles Zueblin, B. D. Cloth. The Macmillan Company, New York and London.

*The American Federal State.* By Roscoe Lewis Ashley, A. M. Cloth, 599 pages. The Macmillan Company, New York and London.

*The Government of New York: Its History and Administration.* By William C. Morey, Ph.D. Cloth. The Macmillan Company, New York and London.

*Democracy and the Organization of Political Parties.* By M. Ostrogorski. Translated from the French by Frederick Clarke. 2 vols.; cloth. The Macmillan Company, New York and London.

*Politics and Religion.* A Study in Scottish History from the Reformation to the Revolution. By William Law Mathieson. 2 vols.; cloth; price, \$6.25. The Macmillan Company, New York and London.

*Colonial Government.* An Introduction to the Study of Colonial Institutions. By Paul S. Reinsch, Professor of Political Science in the University of Wisconsin. 386 pp. (Citizens' Library), Half Leather. Net. \$1.25. The Macmillan Co., New York.

*Commercial German.* By Arnold Kutner, High School of Commerce, New York City. Cloth; 404 pages; \$1.00. American Book Company, New York.

## CURRENT COMMENT

**The President's** I saw the Pacific slope I was an expansionist,  
**Speeches in** I saw the Pacific slope I was an expansionist,  
**the West** and after having seen it I fail to understand  
how any man confident of his country's greatness and glad that his country should challenge with proud confidence our mighty future can be anything but an expansionist. In the century that is opening the commerce and the progress of the Pacific will be factors of incalculable moment in the history of the world. Now, in our day, the greatest of all the oceans, of all the seas, and the last to be used on a large scale by civilized man, bids fair to become in its turn the first in point of importance. Our mighty republic has stretched across the Pacific, and now in California, Oregon, and Washington, in Alaska, and Hawaii, and the Philippines, holds an extent of coast line which makes it of necessity a power of the first class on the Pacific. The extension in area of our domain has been immense, the extension in the area of our influence even greater. America's geographical position on the Pacific is such as to insure our peaceful domination of its waters in the future if only we grasp with sufficient resolution the advantages of this position. We are taking long strides in this direction; witness the cables we are laying and the great steamship lines we are starting, steamship lines some of whose vessels are larger than any freight carriers the world has yet seen. We have taken the first steps toward digging an isthmian canal, to be under our own control, a canal which will make our Atlantic and Pacific coast lines, to all intents and purposes, continuous, and will add immensely alike to our commercial and our military and naval strength. The inevitable march of events gave us the control of the Philippines at a time so opportune that it may without irreverence be held providential. . . . We must keep on building and maintaining a thoroughly efficient navy, with plenty of the best and most formidable ships, with an ample supply of officers and men, and with these officers and men trained in the most thorough way to the best possible performance of their duty. Only thus can we assure our position in the world at large, and in particular our position here on the Pacific.—*At San Francisco, May 13.*

OUR NATURAL SCENERY.—I have come here to see the Grand Cañon of Arizona, because in that cañon Arizona has a natural wonder, which, so far as I know, is of its kind abso-



lutely unparalleled throughout the rest of the world. I want to ask you to do one thing in connection with your own interest, and in the interest of the country. Leave it as it is. You can not improve on it; not a bit. The ages have been at work on it, and man can only mar it. What you can do is to keep it for your children, your children's children and for all who come after you, as one of the great sights which every American, if he can travel, should see. Keep the Grand Cañon as it is.—*At Grand Cañon, Ariz., May 6.*

THE AVERAGE AMERICAN.—The thing that strikes me the most as I go through this land and meet the men and women of the country is the essential unity of all Americans. Down at bottom we are same people all through. That is not merely a unity of section, it's a unity of class. For my good fortune I have been thrown into intimate relationship, into personal friendship, with many men of many different occupations, and my faith is firm that we shall come unscathed out of all our difficulties here in America, because I think that the average American is a decent fellow, and that the prime thing in getting him to get on so well with the other average American is to have each remember that the other is a decent fellow, and try to look at the problems a little from the other's standpoint. It is the average type of manhood that makes the state great in the end. The individual—nothing can take the place of his own qualities in the community; nothing can take the place of the qualities of the average citizen. The law can do something, but the law has never yet made a fool wise or a coward brave or a weakling strong. The law can endeavor to secure a fair show for every man so far as it is in the wit of man to secure such a fair show, but it must remain for the man himself to show the stuff there is in him, and if the stuff is not in him you can not get it out of him. I believe in the future of this country because I believe in the men and women whom we are developing in the country.—*At Barstow, Calif., May 7.*

LIBERTY UNDER THE LAW.—You fought for liberty under the law, not liberty in spite of the law. Any man who claims that there can be liberty in spite of and against the law is claiming that anarchy is liberty. From the beginning of time anarchy in all its forms has been the handmaiden, the harbinger, of despotism and tyranny. We must remember ever that the surest way to overturn republican institutions, the surest way to do away with the essential democratic liberty that we enjoy, is to permit any one under any excuse to put the gratification of his passions over the law. The supreme law of the land

must be obeyed by every man, rich or poor, alike. Ours is a government of equal rights under the law, guaranteeing those rights to each man so long as he in turn refrains from wronging his brother. We can't exist as a republic unless we are true to the fundamental principles of those who founded the republic in '76, and those who perpetuated it in the years from '61 to '65. And if we remain true to the philosophy preached and practised by Washington and Lincoln we can not go far wrong.—*At Pasadena, May 8.*

**Gen. Miles's Report on the Philippines** Gen. Miles says that in going from Calamba to Batangas in November last he noticed that the country appeared devastated, and that the people were very much depressed. Stopping at Lipa, he says a party of citizens, headed by the acting presidente, met him and stated that they desired to make complaint of harsh treatment of the people of that community, saying they had been concentrated in towns and had suffered great indignities, "that fifteen of their people had been tortured by what is known as the water torture, and that one man, a highly respected citizen, aged sixty-five years, named Vincente Luna, while suffering from the effects of the torture and unconscious, was dragged from his house, which had been set on fire, and was burned to death. They stated that these atrocities were committed by a company of scouts under command of Lieut. Hennessey, and that their people had been crowded into towns, six hundred being confined in one building." A doctor of the party said he was ready to testify that some of the six hundred died from suffocation. In an order addressed to the commanding general of the Philippines under date of February 28, 1903, Gen. Miles calls attention to the reports of atrocities, and directs that any orders or circulars of personal instruction which would inspire or encourage any act of cruelty be annulled. The order says that "the excuse that the unusual conditions justify the measures herein condemned are without foundation." Gen. Miles directs attention to the acts of reconcentration, and claims that they were in direct violation of the law.—*Summary of Gen. Miles's Report.*

It seems to us that Gen. Miles has not contributed in any degree to the glory of the army by making a report of this kind, and it strikes us that he has gone out of his way in a merely verbal fling which invites the suspicion of "persuasion and coercion" by army officers of witnesses valuable to Lieutenant-General Miles as giving support to the sensational and

indefinite charges he has made. As the judge-advocate general says, the instances set forth in the Miles report have been made the subject of official investigation. The governmental authorities have done all within their power, apparently, to trace these charges to their source and to punish the culprits, if there are any. We do not believe that Gen. Miles wished to contribute to the ammunition of the critics of the army, or that he realized he was aiding the cause of the so-called anti-imperialists, but the publicity which has attended his report has that unfortunate effect. We have believed that Gen. Miles had just cause for complaint on account of some injustice of which he has been object during the past few years, but his warmest friends and admirers, among whom *The Register* would class itself, must deeply deplore the state of mind and form of expression with which the lieutenant-general commanding has dealt with this subject.—*The Army and Navy Journal*.

It is idle to assume that campaigning in the Philippines has conditions that warrant resort to mediaeval cruelty and a departure from the honorable method of conducting the warfare, and that such departures as have existed, should be overlooked and condoned. It is most gratifying that the serious offenses have not been committed by the soldiers unless they were under the direct orders of certain officers who were responsible. Soldiers have withheld fire when ordered to shoot prisoners, protested against acts of cruelty, and written to relatives at home, urging them to take action to put a stop to those crimes. It will ever be one of the glories of the army that such deeds committed by whatever authority are abhorrent to the American soldier. The officers who are responsible, using chiefly cruel Macabebes, do not by any means constitute the American army, and there must be a very unmistakable line drawn between the great body of honorable and faithful officers and brave soldiers whose records have been commendable, and those of whatever station, whose acts have received, and should receive, the earnest condemnation of all honorable men.—*Gen. Miles's Reply to the Army and Navy Journal*.

**Negro Suffrage** Plainly the fifteenth amendment has been violated in the practical effect of the Alabama constitution, which denies the right to vote on account of race and color. But that question awaits official determination, and the United States Supreme Court alone, and not Congress, can decide it. Congress is powerless in the matter, and if all attempts to bring about an official determina-



tion of the question are to be put down on various technical grounds, as in the present case, then the fifteenth amendment will have to be considered as having been hung up in the national museum for people to look at as one of the curiosities of the reconstruction age.—*The Springfield Republican*.

The original purpose of those who strove so heroically for the abolition of slavery did not contemplate the conversion of the slave into the voter, but only to make his lot in life easier, to relieve him from the sacrifice of his life and labors to others, and to encompass him by such provisions of the law as would protect him from violence and oppression. Education does not change the racial character of the negro. Read he ever so readily, and speak he ever so eloquently, at the last he is the negro still. He can not get rid of his inheritance. For some purpose he was made a negro, and such he will remain. We do not believe he can be safely injected into the body of American citizenship anywhere, and this view of the question ought to be, and must be considered seriously now or hereafter.—*The Charleston News and Courier*.

Before the Southern States began to take legal action in this matter the negro vote was a mere farce. After having seen the evils and terrors of negro rule, it was simply out of the question for the whites to tolerate it, and they determined to suppress the negro vote at all costs. Various devices were employed, but finally it was discovered that they were demoralizing the whites and doing us more harm than the blacks. Then it was that the leading men in the white race determined to come out boldly and circumvent the Fifteenth Amendment and disfranchise the bulk of the negroes. It was done in the interest of pure politics and honest elections, and not so particularly in the interest of white man's rule, because the white man was ruling under the old régime and did not fear the negro vote. It would be far better, however, if the Fifteenth Amendment were repealed, and it is a pity that the Northern people have not the courage to do it.—*The Richmond Times Dispatch*.

The true basis of suffrage in the South is the educational qualification, and no one can or has attacked this provision. The educational provisions in the constitutions of Virginia, the two Carolinas, Alabama, Mississippi, and Georgia, are borrowed, word for word, from the constitution of Massachusetts, and are found in the organic law of Connecticut and four other Northern States. An educational qualification has been praised

in New England as assuring a purified and intelligent electorate; and if it is necessary there, how much more necessary is it in the South, where the illiterate and dangerous electorate is so large—in many sections in a majority? The success of the suits testing the constitutions of Alabama and the other Southern States could not have touched the wise provisions which declare that a voter must know how to read and write in order to enjoy the ballot. As to the other provisions, grandfather and understanding clauses and which are the only ones subject to legal attack, even if the courts swept them away, it would matter little.—*The New Orleans Times-Democrat.*

Indignities that most Northerners now regret were heaped upon the people of the vanquished South, and license rather than liberty was what the negro indulged in. Most assuredly, the experiment has failed. No denial will or can obliterate that fact. The negroes as a mass were not then, and are not yet, fit for the suffrage. It is inevitable that they should be deprived of it, and any attempt to oppose the efforts in the South to find constitutional means to eliminate them from politics will in the end be of no avail. It will do more than complicate and postpone the inevitable solution of a problem that ought to be left to the South, which understands it, to solve. The relations between the two races are not properly adjusted. Those who say that they can be properly adjusted along the lines of the Fifteenth Amendment are the blind who will not see.—*The Providence Journal.*

**Manufacturers** The entire program of organized labor is comprised in the two words, "get more." . . .  
**Organizing**  
**Unions** The program of getting more, however, involves the strike and the violence attendant upon it; the boycott and the intolerable cowardice attendant upon it; the picket, and the marauding and murder about the mill which are attendant upon it. The peaceful strike, which might be called the walk-out pure and simple, is purely a misnomer. If the men simply walked out and did no more, their places could be filled, and doubtless would be filled; sometimes, possibly, by a considerable proportion, perhaps seventy per cent., of the union men themselves who had walked out, because of the belief on the part of that majority that as well as they could do under the circumstances was well enough for the present. The strike can not be made effective without the picket or the boycott. The strike can not help breeding violence; the boycott can not help becoming a conspiracy.—*The New York Sun.*

There is room for employers' associations, and they are capable of great usefulness if wisely planned and conservatively managed. It would in every instance be a mistake, however, to model them on trade union lines or to launch them with proclamations open to criticism on the score of insincerity. Diplomacy will serve the purposes of employers much better than fighting; to do what is right and just and generous is a much more useful reputation than that of desiring to conquer peace by fighting for it.—*The New York Times*.

The address which Mr. D. M. Parry, of the National Manufacturers' Association, delivered at a meeting of the association at New Orleans, is as harmful in its effect as even the physical outrages committed by the strikers in the recent outbreak in the anthracite coal field. . . . Violence of language is usually the accompaniment of violence of conduct. Both generally go together. Both are the offspring of ignorance and passion. . . . When Mr. Parry, in urging the organization of the manufacturers of the country into an association to oppose the power of organized labor, declares that organized labor knows only "the law of physical force," the "laws of the Huns and the Vandals," "the laws of the savage"; that it is a despotism in the midst of a liberty-loving people"; that its history "is stained with blood and ruin"; that the wrongs committed "cry unto heaven"; that it holds "a bludgeon over the head of every employer"; that it extends its tactics of "coercion and intimidation" everywhere; that it "places a premium on indolence and incompetency"; and it drives unwilling men into its ranks by "intimidation"—when he says all this, he is using language which, by its exaggeration of statement, is as violent as the very violence which it condemns.—*The Wall Street Journal*.

**Pennypacker's** No law more infamous than the Grady-Salus  
**Press** Libel bill, approved by Governor Pennypacker,  
**Gag-Law** of Pennsylvania, last Tuesday, has ever been  
enacted by any American legislature. It bears on its face the aim of preventing criticism of state officials. Under this new statute the truth is immaterial; the publication of the truth if it be injurious, however debased or corrupt the individual attacked may be, will be enough to justify heavy damages. No more unconstitutional or outrageous measure could have been devised, and if it doesn't bring to general contempt the executive who sanctions it Pennsylvania has lost her pride of birth.—*The New York Sun*.



This newspaper does not fear that the freedom of the press or the liberty of speech will be restrained during the existence of the republic; it has no fear of good laws, which it respects and upholds by word and act; much less does it fear bad laws, whose evil purposes hasten their end. This newspaper has learned during a long, honorable and, as it believes, a useful life, that it can confidently and always rely upon the wisdom, probity and courage of the judiciary, and upon the fairness and justice of trial by jury. Were the new libel law a hundred times as malevolent in purpose and as indefensible in principle as it is, the *Public Ledger's* reliance upon the integrity of our courts to render it harmless against the innocent would still be absolute and immovable.—*The Philadelphia Public Ledger*.

We can not but feel that the spirit breathed by this law is that which might have been expected in the dark ages, a spirit opposed to freedom of discussion, to liberty and independence. Of course, such a law will not stand, but meanwhile Pennsylvania will attract the eyes of the other states of the union, before which it will be placed in a most unfavorable light—*The Philadelphia Inquirer*.

It is not the inaccuracies and negligence harming private citizens which the bill pretends to deal with, that the governor wants to punish, but the ridicule and invective of public officers, which, ever since John Peter Zenger was tried for libelling the colonial government of New York in 1735, has been considered one of the legitimate weapons of a free press set to guard public liberty and check official abuses. It was a Pennsylvanian, Andrew Hamilton, whose eloquence then established the right of the press to free discussion of the conduct of public men. It must be a melancholy reflection to the citizens of that great commonwealth that nearly two centuries later Pennsylvania should be dragooned into adopting a foolish measure, calculated to promote blackmailing of newspapers, at the behest of politicians.—*The New York Tribune*.

Under such a law in effective operation the exposure of the state treasury scandals, in which Quay was implicated, would not have been possible, and Philadelphia could be plundered by thieves and jobbers unmolested and undisturbed by the press. The press, however, will not heed the gag law signed and approved by the puppet of Quay. Its rights are guaran-

teed by the constitution, state and federal. The state legislature cannot abridge them or destroy them. Pennsylvania already has a libel law ample to protect its citizens from malicious slander. The press will go right on exposing the political thieves and plunderers of the Quaker commonwealth.—*The Chicago Record-Herald*.

**The Cleveland** There is not the remotest possibility of Mr.  
**Presidential** Cleveland becoming the nominee. Even his  
**"Boom"** staunchest friends would not risk him as a candidate. I am not in Mr. Cleveland's confidence, and therefore can't give an inside explanation, but as an outsider I venture to say that his purpose is to positively refuse to be a candidate after a while, and then allow his friends to say that he would have been nominated and elected had he not refused to run. This might afford Mr. Cleveland some satisfaction as a salve for the bruises which he has nursed since 1896.—*William Jennings Bryan, quoted in the Newark Evening News*.

We are quite unable to believe that either the views or the wishes of Mr. Bryan in respect to the Democratic nomination for the Presidency next year are of serious importance to his countrymen. Accordingly, when Mr. Bryan declares, as he is reported to have declared, "there is not the remotest possibility of Mr. Cleveland becoming the nominee," the remark, in our judgment, calls for notice only because it furnishes an appropriate occasion for observing that Mr. Bryan is no longer in a position to say who will or who will not be the nominee. While it must now be clearly understood that he is not a candidate for the nomination, the popular demand for his nomination that has swept over the country like a wave of ocean is an extraordinary phenomenon of our politics. The tribute to Mr. Cleveland's character and abilities is remarkable, as an expression of confidence in him it is remarkable, but the high significance of the matter is that it denotes the return to health of the Democratic party. It marks the washing out of the taint of Bryanism.—*The New York Times*.

There is no question in our mind that Mr. Cleveland stands head and shoulders above any other Democrat in the United States, and we believe that he would beat Roosevelt hands down if he should be nominated.—*The Charleston News and Courier*.

Briefly, the scheme is this: to force Mr. Cleveland's nomination by the arts of the blackmailing mugwump and the

money of the syndicate; and, him nominated, to buy New York, New Jersey and Connecticut, and the one additional vote necessary to elect, relying upon the solid South, reduced to a choice between Cleveland and Roosevelt, to take Cleveland. That is all. And it is great because it is so simple.—*The Louisville Courier-Journal*.

**Massacre of Jews at Kishineff, Russia** According to information received by the British Government which was communicated to the House of Commons by Lord Cranborne yesterday, about one hundred Jews lost their lives in the massacre at Kishineff, and many more were injured. It is to be assumed that the British Minister has good sources of information; at any rate, there is not the slightest doubt that the outbreak against the Jews took the form of savage butchery, a barbarous and most inhuman venting of murderous passion, making the massacre an event conspicuous and shameful, memorable in the chronicles of human cruelty. It would be supposed in the eyes of all the world, of every humane person, the bloody atrocity of the affair, its lawlessness, and its frightful incongruity with the professions and practices of modern civilization, would be its dominating features, quite excluding for the present philosophical inquiries into the cause and nature of the passion which found vent in all this spelling of human blood.—*The New York Times*.

Again is the civilized world appalled by one of the worst tragedies that ever marked the pages of history. Even though the Russian government may not be directly responsible for this crime, it has created conditions that were incentives to its perpetration. The cause of these horrible outrages, as usual, is the blood accusation. When will the benighted inhabitants of Russia ever learn that they are accusing innocent people of the most heinous of crimes when they charge the Jews with ritual murder. What a page to write in history in the beginning of the twentieth century when this massacre is recorded!—*The Jewish Review and Observer*.

The situation is simply intolerable, and it explains the enormous emigration of Jews from Russia during late years. These wretched downtrodden people come to us just as their brethren came from Roumania, which is across the border from Bessarabia, and much the same provocation is given for a protest to the offending authorities in the one case that there was in the other. But, of course, neither this government nor any combination of outside governments can regulate the internal affairs of Russia, who can be affected only through



the interest which the entire civilized world shows in her unfortunate victims. Appeals for the relief of the surviving sufferers deserve to meet with a generous response the world over, and they undoubtedly will.—*The Chicago Record-Herald.*

**Russia's Occu-      We took Manchuria by force of arms, in a war  
pancy of      called forth not by Russia, but by the mission-  
Manchuria      aries and traders of western lands. Man-  
churia was taken by the efforts of an army of two hundred  
thousand men, of whom ten thousand fell in battle. Man-  
churia has cost us hundreds of millions, drawn from our  
national treasury. In a short time, instead of anarchy, insur-  
rection, and universal chaos, we have there evolved such order  
and well-being as have drawn forth unqualified praise from the  
English press, so perpetually hostile to us, including even *The  
Times*. In view of all this, Manchuria belongs to us by the  
best of all rights, the right of justice; and all claims on  
Manchuria we can not consider as other than attacks on our  
rights and our property. And if these claims, coming from  
England and Japan, each of whom is serving the interests of  
the other, are entirely intelligible, they are, on the other hand,  
quite unintelligible when coming from the United States.—  
*Editor of the St. Petersburg Novoye Vremya in Harper's  
Weekly.***

Of the opening of new treaty ports in Manchuria it is impossible for me to speak at present, but it is the earnest conviction of those best acquainted with the state of affairs there that such a move will not be to the best interests of the territory. Were the question solely a commercial one, it would be different. But open a treaty port in Manchuria, and close upon the heels of commerce will follow political complications of all kinds, which would increase the threats to peace. At Neu Chwang this country has a treaty port, and American trade in Manchuria is rapidly on the increase. Because of the singularity of interest held by the United States in Manchuria—for all the world realizes that yours is a trade, not a territorial one—it lies within the power of your government to exert a powerful influence in the preservation of peace there. Russia's desire is also for peace, not disturbances in Manchuria, and it is to this end that negotiations are now proceeding in Peking in the effort to establish a condition of evacuation and to safeguard Manchuria against a recurrence of the troubles of 1900. Striking evidence of the direct effect in this country caused by unrest in China was seen in 1900, when, I am told, many cotton mills in the United States were forced to shut down

until conditions in China were again normal. This fact and the evidence the United States has already given of its desire to make for peace are sufficient assurance that the Washington government will lend its strong moral support to calm excitement wherever it has been aroused by the incorrect reports from Peking.—*Statement by Count Cassini, Russian Ambassador at Washington.*

Wheat Crop of the World.	Bushels. 1899.	Bushels. 1900.	Bushels. 1901.	Bushels. 1902.
United States...	547,304,000	522,230,000	748,460,000	670,063,000
Canada .....	59,960,000	51,701,000	90,212,000	98,654,000
Mexico .....	9,287,000	12,420,000	9,000,000	12,403,000
Total N.America	616,551,000	586,360,000	847,672,000	781,120,000
South America..	125,141,000	120,546,000	84,845,000	75,984,000
Great Britain....	69,380,000	55,981,000	55,581,000	60,065,000
France .....	364,414,000	326,083,000	310,938,000	352,710,000
Spain .....	100,759,000	92,424,000	117,765,000	123,440,000
Italy .....	137,912,000	133,741,000	156,755,000	131,102,000
Germany .....	141,369,000	141,139,000	91,817,000	143,315,000
Austria-Hungary.	202,508,000	194,935,000	180,665,000	234,554,000
Roumania .....	26,064,000	56,663,000	72,386,000	76,220,000
Bulgaria .....	21,630,000	27,000,000	24,000,000	48,000,000
Russia in Europe	393,876,000	396,013,000	401,782,000	567,014,000
Total Europe....	1,520,971,000	1,495,145,000	1,484,213,000	1,798,963,000
Russia in Asia..	93,411,000	62,131,000	61,149,000	81,693,000
Turkey in Asia..	35,200,000	30,000,000	30,000,000	35,000,000
British India ...	236,679,000	181,803,000	252,587,000	224,335,000
Japan .....	20,771,000	21,688,000	20,000,000	20,000,000
Total Asia.....	404,061,000	314,022,000	380,936,000	376,428,000
Algeria .....	22,282,000	23,000,000	23,000,000	27,000,000
Egypt .....	13,000,000	13,000,000	12,000,000	12,000,000
Total Africa ...	42,373,000	43,600,000	43,400,000	32,000,000
Australasia .....	56,202,000	50,111,000	56,610,000	43,927,000
Total .....	2,765,299,000	2,609,784,000	2,897,676,000	3,124,422,000

#### Current Price Comparisons

The following are the latest wholesale price quotations, showing comparison with previous dates:

	May 21, 1902.	April 21, 1903	May 21, 1903.
Flour, Minn. patent (bbl. 196 lbs.)..	\$3.95	\$4.15	\$4.10
Wheat, No. 2 red (bushel).....	92 $\frac{3}{4}$	83 $\frac{3}{4}$	83 $\frac{3}{4}$
Corn, No. 2 mixed (bushel).....	70 $\frac{1}{2}$	55	56 $\frac{1}{2}$
Oats, No. 2 mixed (bushel).....	46	38	38
Pork, mess (bbl. 200 lbs.).....	18.25	18.30	18.00
Beef, Ham (bbl. 200 lbs.).....	21.50	20.00	19.00
Coffee, Rio No 7 (lb.).....	5 $\frac{1}{2}$	5 $\frac{7}{8}$	5 $\frac{5}{8}$
Sugar, Granulated, Standard (lb.)...	4 $\frac{65}{100}$	4.80	4 $\frac{85}{100}$
Butter, creamery, extra (lb.).....	22	25	22
Cheese, State, f. c., small fancy (lb.)	12 $\frac{1}{2}$	15	12 $\frac{1}{2}$
Cotton, middling upland (lb.).....	—	10 $\frac{85}{100}$	12 $\frac{15}{100}$

	May 21, 1902	April 21, 1903	May 21, 1903
Print Cloths (yard).....	9 <sup>9</sup> / <sub>16</sub>	3 <sup>1</sup> / <sub>2</sub>	3 <sup>1</sup> / <sub>2</sub>
Petroleum, bulk, N. Y. (gal.).....	3 <sup>1</sup> / <sub>2</sub>	5 <sup>8.5</sup> / <sub>100</sub>	5 <sup>8.5</sup> / <sub>100</sub>
“ N. Y., refined in bbls. (gal.)....	7 <sup>8.5</sup> / <sub>100</sub>	8 <sup>8.5</sup> / <sub>100</sub>	8 <sup>8.5</sup> / <sub>100</sub>
Hides, native steers (lb.).....	12 <sup>8</sup> / <sub>10</sub>	11	11 <sup>1</sup> / <sub>2</sub>
Leather, hemlock (lb.).....	24 <sup>1</sup> / <sub>2</sub>	24 <sup>1</sup> / <sub>2</sub>	24 <sup>1</sup> / <sub>2</sub>
Iron, No. 1 North, foundry, (ton 2000 lbs.) .....	19 75	22.25	21.00
Iron, No. 1 South, foundry, (ton 2000 lbs.) .....	19.00	21.50	20.75
Tin, Straits (100 lbs.) .....	30.00	30.20	29.65
Copper, Lake ingot. (100 lbs.).....	12.37 <sup>1</sup> / <sub>2</sub>	15.50	15 00
Lead, domestic (100 lbs.).....	4.12 <sup>1</sup> / <sub>2</sub>	4.67 <sup>1</sup> / <sub>2</sub>	4.37 <sup>1</sup> / <sub>2</sub>
Tinplate (100 lbs., I. C., 14x20).....	4.35	4.15	4.15
Steel rails (ton 2000 lbs.).....	28.00	28.00	28 00
Wire nails (Pittsburg) (keg 100 lbs.)	2.05	2.00	2.00
Steers, prime, Chicago (100 lbs.)....	—	5 25	5.10
Fine silver (per ounce).....	—	50 <sup>8</sup> / <sub>8</sub>	54 <sup>1</sup> / <sub>2</sub>
Bullion value silver dollar.....	—	39 <sup>1</sup> / <sub>2</sub>	.5080
Ratio gold to silver .....	—	1.40 <sup>8.8</sup> / <sub>100</sub>	1.31 <sup>1</sup> / <sub>2</sub>

The range of prices of agricultural products, as given by the government *Crop Reporter*:

	1898 May,	1899 May,	1900 May,	1901 May,	1902 May,	1903 May,
Wheat, No. 2 red N.Y. (bush.)	1.93 <sup>1</sup> / <sub>2</sub>	87 <sup>1</sup> / <sub>8</sub>	82 <sup>3</sup> / <sub>4</sub>	85 <sup>1</sup> / <sub>2</sub>	94 <sup>1</sup> / <sub>4</sub>	83 <sup>1</sup> / <sub>4</sub>
Corn, No. 2, Chic. (bush.)	37	34 <sup>3</sup> / <sub>8</sub>	40 <sup>1</sup> / <sub>2</sub>	58 <sup>1</sup> / <sub>2</sub>	64 <sup>1</sup> / <sub>2</sub>	44 <sup>1</sup> / <sub>2</sub>
Corn, No. 2, N. Y. (bush.)	41 <sup>7</sup> / <sub>8</sub>	43 <sup>1</sup> / <sub>2</sub>	47 <sup>1</sup> / <sub>8</sub>	57 <sup>1</sup> / <sub>8</sub>	72 <sup>1</sup> / <sub>4</sub>	53
Oats, No. 2, Chic. (bush.)	32	27 <sup>3</sup> / <sub>4</sub>	23 <sup>3</sup> / <sub>4</sub>	29 <sup>3</sup> / <sub>8</sub>	46 <sup>1</sup> / <sub>2</sub>	33 <sup>3</sup> / <sub>8</sub>
Rye, No. 2, Chic. (bush.)	75	62	56 <sup>1</sup> / <sub>4</sub>	54	67 <sup>1</sup> / <sub>2</sub>	50
Hay, No. 1, Timothy, Chic. (ton)	10.50	10.50	12.50	13.50	13.50	15.00
Potatoes, N. Y. (180 lbs.)	3.12	3.50	1.62	2.50	2.62	1.87
Hops, choice, N. Y. (lb.)	15	16	14	20	16	24
Wool, xx, washed, N. Y. (lb.)	30	29	37	27	27	32
“ best tub washed, St. L. (lb.)	28	26 <sup>1</sup> / <sub>2</sub>	34	27	24 <sup>1</sup> / <sub>2</sub>	27 <sup>1</sup> / <sub>2</sub>
Hogs, Chicago (100 lbs.)	4.80	4.05	5.57 <sup>1</sup> / <sub>2</sub>	5.97 <sup>1</sup> / <sub>2</sub>	6.85	7.05
Butter, creamery ex, N.Y. (lbs.)	17	19	19 <sup>1</sup> / <sub>2</sub>	18	26	22
“ Elgin	16 <sup>1</sup> / <sub>2</sub>	18	19 <sup>1</sup> / <sub>2</sub>	18 <sup>1</sup> / <sub>2</sub>	24 <sup>1</sup> / <sub>2</sub>	20
Eggs, best fresh, N. Y. (doz.)	12	16	14 <sup>1</sup> / <sub>2</sub>	14 <sup>1</sup> / <sub>2</sub>	34	17 <sup>1</sup> / <sub>2</sub>
“ “ St. Louis (doz.)	9 <sup>1</sup> / <sub>2</sub>	11 <sup>1</sup> / <sub>2</sub>	10	10 <sup>3</sup> / <sub>4</sub>	26	13 <sup>1</sup> / <sub>4</sub>
Cheese, Sept. col'd. N. Y.	8 <sup>3</sup> / <sub>8</sub>	12	11	9 <sup>1</sup> / <sub>2</sub>	11 <sup>3</sup> / <sub>4</sub>	12
“ Full Cream, St. Louis	9 <sup>1</sup> / <sub>2</sub>	12 <sup>1</sup> / <sub>2</sub>	11 <sup>3</sup> / <sub>4</sub>	11	11 <sup>1</sup> / <sub>2</sub>	14 <sup>3</sup> / <sub>4</sub>

*Dun's Review* shows index-number aggregate prices per unit, of 350 commodities:

	Jan. 1, 1893.	May 1, 1898.	May 1, 1899.	May 1, 1900.	May 1, 1901.	May 1, 1902.	May 1, 1903.
Breadstuffs .....	\$15.750	\$15.833	\$14.073	\$14.288	\$16.112	\$19.959	\$16.380
Meats .....	9.315	7.836	7.853	8.932	9.251	10.968	9.755
Dairy, garden ..	15.290	12.312	11.893	11.930	14.983	14.737	13.164
Other foods ...	9.595	8.606	9.179	9.341	9.154	8.742	9.234
Clothing .....	13.900	14.627	14.804	17.648	14.945	15.527	16.543
Metals .....	15.985	11.658	14.102	16.188	15.179	15.702	16.585
Miscellaneous ..	14.320	12.531	12.625	16.748	16.596	16.654	16.900
Total .....	\$94.155	\$83.403	\$84.529	\$95.075	\$96.220	\$102.289	\$98.561



The average prices of sixty railway stocks, ten industrial, and five city traction and gas stocks are given by *Dun's Review*:

	Dec. 31, 1901.	Dec. 12, 1902.	Apr. 17, 1903.	May 15, 1903.
Average, 60 railway .....	102.99	103.03	98.93	99.47
“ 10 industrial .....	63.45	57.48	62.71	63.27
“ 5 city traction, etc. ..	137.37	130.45	127.60	128.68

Prices of certain significant stocks on the New York stock exchange, as given by *Bradstreet's*:

	Range during 1902		Closing Apr. 17, 1903	Prices May 15 1903
	Highest	Lowest		
Amer. Beet Sugar (com.) .....	30	30	—	—
Amer. Beet (pref.) .....	—	—	—	—
Amer. Sugar Ref. (com.) .....	135½	113	124¾	124¾
Amer. Sugar Ref. (pref.) .....	—	—	—	121½
Amer. Tobacco (pref.) .....	151½	140	—	142
Cont. Tobacco (pref.) .....	126½	114	113	113
Gt. Northern Ry. (pref.) .....	203	181½	—	—
International Paper (pref.) .....	77½	70	71	—
N. Y. Central R. R. ....	168½	147	131½	127¾
Pennsylvania R. R. ....	170	147	136¼	128¾
Ph. & Reading R. R. (1st pf.) ...	90¼	79¾	—	—
Southern Pacific Ry. ....	81	56	56¾	53¾
U. S. Rubber .....	—	—	15	16
U. S. Rubber (pref.) .....	63¼	49½	49¾	52½
U. S. Steel (com.) .....	46¾	29¾	35½	33¾
“ “ (pref.) .....	97¾	79	86¾	83¾
Western Union Tel. ....	97½	84¾	85	84¾

English prices of staple commodities, as given by the *London Economist*:

	May 2, 1902	April 10, 1903	May 8, 1903
	£. s. d.	£. s. d.	£. s. d.
Steel rails (long ton, 2,240 lbs.) ....	5 10 0	6 10 0	5 17 6
Scotch pig iron (long ton, 2,240 lbs.) ..	2 13 6½	2 14 4	2 15 0
Copper .....	57 17 6	60 14 11	62 4 6
Tin, Straits .....	130 15 0	135 10 5	137 0 0
Tin Plate (108 lbs., I. C., 14 x 20) ..	— — —	0 11 7	0 12 9
Sugar, granulated (112 lbs.) .....	— — —	0 15 9	0 16 0
Lead, Eng. pig (long ton, 2,240 lbs) ..	12 0 0	10 18 9	12 5 0
Cotton, middling upland (lb.) .....	0 0 5¾	— — —	0 0 3
Petroleum (gallon) .....	0 0 6	0 0 5½	0 0 5¾

(American equivalents of English money: pound — \$4.866; shilling — 4.3 cents; penny — 2.03 cents.)

## RAILWAY BUILDING IN THE TROPICS

JOHN L. CASPAR

The one great obstacle to the development of the Central American republics has been the lack of transportation facilities. Blessed with a soil of unsurpassed fertility and a climate favorable to the cultivation of all the productions of both the torrid and the temperate zones; with boundless forests of cabinet woods, dye woods, and rubber trees, and mountain ranges rich in gold, silver, copper, mercury, iron, arsenic, and other minerals, they yet remain a wilderness, infested by wild beasts, and peopled, for the most part, by semi-barbarians.

More important and far reaching in its consequences, therefore, than the petty revolutions and insurrections that have made of the Latin-American republics a by-word, is the work of the railway builder. He is here confronted by difficulties and obstacles of which engineers in northern latitudes never dream. Impassable swamps and rugged mountains, trackless forests, and barren deserts of sand and lava may all be encountered within fifty miles. Native labor is unobtainable, and the diseases peculiar to the tropics carry off by hundreds the unacclimated workmen from the north. Floods and storms and earthquakes play havoc with bridges, masonry, and roadbed, an excitable and turbulent populace respects neither life nor property in times of disorder, and unstable governments can afford neither protection nor redress.

In spite of difficulties and discouragements, however, the work of taming the wilderness goes steadily on. That the two most important projects of the kind are in the hands of Americans is a fact that has an important bearing on the future relations of the United States to its southern neighbors. These projects are the construction of the Northern Railway of Guatemala, and of the Honduras Railway. Each of these is to be an inter-oceanic highway, connecting the Caribbean with the Pacific. Each will open up to capital and enterprise vast areas of agricultural, mineral, and timber lands.

The Ferrocarril del Norte, or Northern Railway of Guatemala, has its northern terminus at Puerto Barrios, on the Gulf of Honduras, an arm of the Caribbean. Its general direction is south-west, up the valley of the Rio Grande de Motagua—a much less important stream than its name seems to indicate. The southern terminus will be Guatemala, the capital of the republic, where connection will be made with the Guatemala Central Railway, running to the port of San José, on the Pacific. The entire length of the line will be only 193 miles, but in that distance it will traverse a country presenting a greater variety of productions and affording more striking contrasts in physical conditions than is met with in the 2,700 miles between New York and San Francisco. Around Puerto Barrios is a dreary, malarial stretch of mangrove swamp, through which a solid road-bed has been built by hauling earth and rock from the interior. Then comes



Working on the Beach at Puerto Barrios

the belt of palms and hard-woods, alternating with great plantations of bananas, extending to Los Amates, fifty miles from the coast, near the famous ruined city of Quirigua. There begins the region of pines and oaks, a flora similar to that of the temperate zone. From this point coffee can be profitably cultivated. Near Gualan, eighty-four miles from



Puerto Barrios, the semi-arid plateau composed of beds of lava and scoriæ is reached, and for forty miles but little vegetation is seen but cactus, mesquite, and agave, excepting here and there a patch of vivid green showing the location of a coffee plantation. Near El Rancho the great volcanic range called the Cordillera de los Andes, is entered, presenting gorges, cañons and rugged peaks not unworthy of comparison with the American Rockies; and as the Capital is approached, the grim, smoke-crowned sentinels of Agua and Fuego loom up in the south, perpetual reminders of the subterranean forces of nature.

The Northern Railway was begun in 1872 during the administration of President Rufino Barrios. The northern terminus was originally fixed at the Carib village of San Tomaso, but the harbor there is so shallow that vessels must anchor nearly a mile from the shore. On this account it was decided to open a new port four miles farther east, where the water is deep enough to permit the docking of the largest vessels. The new town was named Puerto Barrios, after its founder. It is hemmed in on three sides by impassable swamps, making it one of the most unhealthful spots in Central America. Millions of dollars have been expended in drainage and in filling-in, but millions more will be required to make it anything more than a hot-bed of disease.

The principal promoter of the enterprise was the president, who was wise enough to perceive that the development of the country depended upon the provision of adequate transportation facilities. The method he took to raise the necessary funds has since been adopted by half the rulers of South and Central America. A decree proposed by him and ratified by a subservient national assembly provided that every individual in the republic with an income of more than \$10 a month must invest in railway stock. Money poured into the national treasury, and the work went forward with a rush that promised an early realization of the president's plans.

Unfortunately, Barrios had other projects on foot. The most important of these was the amalgamation of all the states of Central America into one great nation, of which, of course,

he should be the head. Not unnaturally, the people of the neighboring countries objected to this ambitious project of assimilation; and ere long Barrios found himself involved in a series of wars. Nicaragua and Honduras were coerced into submission, and he seemed on the very eve of success when he met his death at the head of his army in the mountains of Salvador.



Burying Place for Laborers at Puerto Barrios

With the death of Barrios, Guatemala entered upon a period of practical anarchy. The plan of federation was forgotten, and the railway project, in which the people had been compelled to sink their money, was abandoned, while rival aspirants for the presidency quarreled over the spoils of office. The rank vegetation of the tropic jungle soon obliterated almost all traces of the road. Flood, fire, and the vandalism of the natives wrought havoc with the property. The rolling stock and machinery rusted and became useless, and it seemed that the Ferrocarril del Norte had been definitely abandoned.

In 1892, José Maria Reyna Barrios, a nephew of Rufino, was elected president. He had received his education in the United States, and had married Miss Helen Alger, of New York. He was, therefore, deeply imbued with liberal and

progressive ideas, and lost no time in reviving the long-neglected railway project of his uncle. The contract for building the line was let to a Connecticut man, Silvanus Miller. Improved machinery was obtained from the United States; and once more the work went forward.



Native Quarters on Guatemalan Railway

The greatest difficulty encountered by the contractor was in obtaining laborers. The natives are too lazy to work, and are, moreover, physically incapable of doing the heavy work required in railway building. Agents were, therefore, sent to New Orleans, Mobile, Pensacola, and other Southern cities; and they enticed hundreds of negroes to Guatemala. These men were promised and given \$1.50 a day,—but in Guatemalan money, worth less than half its face value in American currency. They were in debt \$20 each, in gold, for their transportation; and, under the laws of the country, were to all intents and purposes slaves until the debt was discharged. They were compelled to buy their food, clothing, and supplies at the contractor's store at exorbitant prices. Armed overseers kept them at work for twelve hours in the burning sun or drenching rain, heavily "docking" the laggard and severely punishing the insubordinate. Hundreds of them died of fever



and small pox, and their bodies were thrown on flat cars, to be taken to "Monkey Hill Cemetery," just back of the town, where they were buried in shallow holes, uncoffined.

Under these conditions, such of the negroes as could get away deserted, making their way to Honduras or Mexico. Those that stayed became riotous, and were restrained only by fear from open revolt.



Beginning a Bridge on Chemelecon River

By the middle of the year 1897 the Northern Railway had been completed as far as El Rancho, 133 miles from Puerto Barrios. Then the illegal methods used by the president to raise money for the railway and for the strengthening of the army, brought on the most serious revolutionary movement that the country had seen for twenty years. Being a government enterprise the railway was an object of particular antipathy to the revolutionists. The shops and round-house at Puerto Barrios, and the stations at Gualan, Zocapa, and El Rancho were destroyed. A number of the white employes were killed; but the negroes for the most part joined issues with the revolutionists. The end of the outbreak found the national treasury bankrupt, and the assassination of Barrios in 1898 destroyed the last hope that the government would make any further attempt to construct the inter-oceanic highway. For two years the project remained in abeyance. The

right of way was again overgrown with luxuriant vegetation, bridges were washed away, and it seemed as if the labor of years had been fruitlessly wasted. President Cabrera, the successor of Barrios, was fully alive to the necessity of providing railway facilities to stimulate the industrial and commercial growth of the country, but he realized the futility of attempting to saddle fresh burdens upon a bankrupt treasury and an impoverished people.

In 1900 a syndicate of Americans, incorporated in New Jersey as the Central American Improvement Company, with Minor C. Keith as president, and Richard Barthel as secretary, entered into a contract with the government of Guatemala, which resulted in the speedy resumption of work. Under the terms of this agreement, the company is to complete the line to the capital and to operate it for ten years without expense to the government. At the end of that period, it is to receive \$4,000,000 in gold, with interest, and is to transfer the road, with all equipment and rolling stock, to the government. It is also to receive 500,000 acres of fertile agricultural land contiguous to the right of way.

It is most improbable that the government will be able to fulfill its part of the agreement, so that the American company will no doubt remain in control of this important line.

Fortunately, the Central American Improvement Company has pursued a more liberal and enlightened policy towards its laborers than did its predecessor. Negroes from the Southern States are still doing the work, but they are well treated and are contented. The sixty miles of track from El Rancho to Guatemala offer many engineering problems, rock cuts, tunnels, gorges, and heavy grades being encountered in almost every mile. These difficulties have been greatly increased during the present year by volcanic disturbances that have been numerous and destructive in nearly all the Caribbean lands; but it is confidently expected that the last spike will be driven in the city of Guatemala early this summer.

Equally important is the Honduras Railway, also being constructed by Americans. This line was begun thirty-five years ago by an English syndicate, which abandoned the

project after laying thirty-seven miles of track. It is to traverse Honduras from Puerto Cortés on the Caribbean to the Gulf of Fonseca on the Pacific, following the valley of the Chemelecon river for sixty miles, and then crossing the great central plateau, in which are found great deposits of gold, silver, and copper.

When the English syndicate abandoned the project, the completed portion of the line was taken over by the government of Honduras, which later leased it to a St. Louis corporation. Trains were run only on days when fruit-carrying steamers were expected in port, and nearly all the revenues of the road were derived from the banana traffic.

In 1897 a concession was granted to the Honduras Syndicate, composed of John J. Astor, Benjamin F. Tracy, Dr. W. Seward Webb, Chauncey M. Depew, President Ingalls, of the Chesapeake and Ohio R. R., and others almost equally prominent in the world of finance. By the terms of this concession the syndicate received the thirty-seven miles of completed railway, with all rolling stock, buildings and appurtenances, together with right of way to Fonseca bay. It is to receive 3,200 acres of land, of its own selection, contiguous to the right of way, for each mile of track; and is authorized to construct branch lines to all the principal towns, mining districts, and forest regions, on the same terms. It was empowered to establish banks and bring in colonists; to act as the government's financial agent in the settlement of the foreign debt; to collect, manage and disburse the customs dues of the republic; to open new seaports, and to establish a coast line of steamers. As the main line will be 275 miles long, this landed estate will form a princely domain of 880,000 acres, which can be indefinitely extended by building branch lines. In return for this sweeping and comprehensive concession, the syndicate was to pay into the national treasury \$1,000,000 a year for 99 years, and then to transfer the railway to the government. It is doubtful whether any sovereign power ever before granted to the citizens of a foreign nation so comprehensive a concession. This handful of American business



men was for a time really more powerful than the government itself.

Under the working of this agreement, construction was carried forward with a rapidity that must have astonished the leisurely sons of the tropics. By the middle of 1899 the line was completed and trains running as far as La Pimenta, sixty-eight miles from Puerto Cortés, and a host of American negroes, with every known appliance for moving dirt, swarmed along the right of way for many miles more.

Unfortunately, dissensions arose between the syndicate and the government. The customs receipts fell below expectations, and the government was accused of encouraging and assisting smugglers. For this reason, the syndicate refused to make the stipulated payments into the treasury, and for a time it seemed that the entire project must be abandoned. Finally a compromise was effected, many of the provisions of the original agreement being eliminated. The collection of customs dues was given over to the government again, and the syndicate was released from further payments into the treasury. The management of the public debt, the right to establish banks, open new ports, and operate a coast line of steamers was also surrendered. The worst result of this disagreement has been delay. Operations were resumed in 1901, but the date for the running of the first through train to the Gulf of Fonseca is very uncertain, although the financial standing of the men composing the syndicate is a guarantee that there will be no unnecessary delay.

The certainty that Americans will control the transportation system of Honduras has had the effect of attracting much American capital. Puerto Cortés is surrounded by great banana plantations, nearly all of which are owned by Americans. At Cafedale a large colony of Florida orange growers has found an ideal region where frosts and chilling winds from the north are never known. At Santa Rosa, Santa Barbara, San Francisco, and many other points, there are great coffee plantations owned by Americans. Americans also monopolize the crude rubber production, and Buffalo patent medicine men play the same rôle as to sarsaparilla. The American Gold and

Silver Mining Company controls the gold region of Magualile, said to be one of the richest on the continent. The New York and Honduras Rosario Mining Company and the Monserrat Consolidated Mining Company own properties but little less valuable. Most of the forest lands known to contain logwood, Brazil wood, cedar, mahogany, and rosewood have been purchased by citizens of the United States. In fact, the influence of the northern republic is so predominant that Honduras is, to all intents and purposes, an American dependency. The figures compiled by the British consul tell the story more eloquently than words. In 1898, the last year for which statistics are available, imports from the United States amounted to \$816,622, against \$132,000 from Germany, and \$103,914 from Great Britain. In the same year, exports to the United States were \$988,987, while to Great Britain and Germany combined they were only \$33,066. In the three years since then, the leadership of the United States has unquestionably been still more firmly established.

Of all recent railway projects, none so captivates the imagination as the proposed Intercontinental Railway, that is to traverse North and South America. In comparison with this, the dream of Cecil Rhodes of a "Cape to Cairo" line, pales into insignificance. Surveys have already been made from the borders of the United States, through Mexico and Central America, down the Isthmus of Panamá, across Colombia, into Brazil and Perú. The scheme has been pronounced entirely practicable; and it can hardly be doubted that some day it will be possible to ride from Chicago to Bogotá, La Paz, or Buenos Aires without change of cars.

The greatest obstacle in the way of the early realization of this splendid dream is the insecurity of property rights in some of the countries. Even in southern Mexico, hostile tribes of savages block the path of civilization; and in the little republics farther south, civil strife is a constant menace that must be removed before the great aggregation of capital necessary for the project can be procured.







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